

2002-2003

OPERATING BUDGET

CITY-WIDE

City-Wide Expenses

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T*o provide for City-Wide expenses that relate to more than one department or are not directly associated with ongoing departmental operations*

City-Wide Expenses

Budget Summary

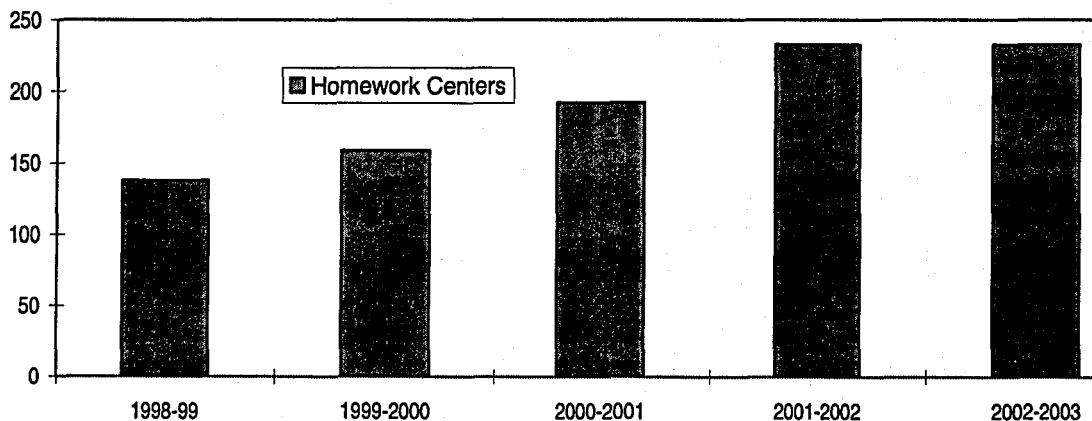
	2001-2002 Adopted	2002-2003 Adopted	% Change
Authorized Positions	19.00	14.00	(26.3%)
Budget (All Funds)	\$ 104,189,500	\$ 92,251,877	(11.5%)

Budget Highlights 2002-2003

- ☐ Provides funds to expand the Neighborhood Clean Up Program in Strong Neighborhoods Initiative areas and address litter and legal dumping activities.
- ☐ Provides funds to process citations from an expanded parking citation program for street sweeping.
- ☐ Continues the Homeless Families and Children Initiative Fund.
- ☐ Continues the LEARNS program with grant funding from the California Department of Education's After School Learning and Safe Neighborhoods Partnership Program.
- ☐ Reorganization of the Customer Service Call Center to gain internal efficiencies and provide cost savings.
- ☐ Continues the Energy Assistance Low Income Fund to assist low income residents in meeting their energy payments with contribution funding provided by the CalPine Corporation to the City.
- ☐ Provides funds for a matching grant program to support the United Way.

Budget
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Number of Homework Center Sites Funded in San Jose



City-Wide Expenses

Overview

The City-Wide Expenses Category is used to display expenses that relate to more than one department or which involve specialized city-wide goals and objectives. The budget amounts in this section have fluctuated in recent years due to the inclusion of a variety of one-time programs. This fluctuation may be seen through a comparison of 2001-2002 Adopted, 2002-2003 Forecast, and the 2002-2003 Adopted Budget totals for this category. The City-Wide Expenses budget drops significantly at the beginning of each year's process as one-time programs are removed from the Forecast, and then increases in the Adopted Budget as additional one-time programs are approved and prior year projects which were not completed in 2001-2002 are rebudgeted.

The 2002-2003 Adopted Budget for City-Wide Expenses is presented by City Service Area (CSA) programs to better organize services that are provided to support the various CSA strategies. The following discussion outlines the major changes approved for 2002-2003 by each CSA program.

Economic and Neighborhood Development

Funding is provided to continue community-organizing efforts associated with the Strong Neighborhoods Initiative (SNI). For 2002-2003, additional funding from the Redevelopment Agency will expand the Neighborhood Clean Up Program. Currently each Council District has four neighborhood clean-ups. Recently approved SNI plans include, in a majority of top 10 lists, additional neighborhood clean-ups. As directed in the Mayor's Message, this expansion will increase the number of clean-ups city-wide by 26, and includes funding to address litter and illegal dumping activities.

As directed in the Mayor's Message, funding has been provided to continue the Homeless Families and Children Initiative Fund (\$300,000). This fund will support creative and collaborative community proposals to address the needs of homeless families and individuals.

Other funding was approved to support the San Jose community including the upgrade of Roy Park; matching grant funds for establishing a common area for families in the Richmond/Menker apartments; and refurbishing and construction of additional pillars to create a gateway to Palm Haven neighborhood.

Environmental and Utility Services

No major changes were approved for 2002-2003.

Public Safety

No major changes were approved for 2002-2003, with the exception of a minor reduction in Fire Training and miscellaneous rebudgets for the Police and Fire Departments and the Office of Emergency Services.

Recreation and Cultural Services

The shift of funding for a portion of the remainder of the Homework Center Program to the Healthy Neighborhoods Venture Fund from the General Fund was approved for 2002-2003. This funding shift will ensure the continued financial support for this program in light of the economic difficulties facing the General Fund. The Homework Center Program provides a number of student support services, including homework assistance, tutorial assistance, computer access, and targeted skills building. The Healthy Neighborhoods Venture Fund currently funds

City-Wide Expenses

Overview (Cont'd.)

Recreation and Cultural Services (Cont'd.)

30 sites, and with the approved funding shift, it will support 74 sites.

Schools will benefit from new funding added for 2002-2003. Reed Elementary School will receive assistance from the City to upgrade playground facilities. The City was also awarded a grant renewal for its successful LEARNS program, a cooperative effort with six school districts and several community based organizations to provide after school activities.

Transportation Services

Additional funding is provided in 2002-2003 to provide Citation Processing Costs for a second monthly street sweep in residential areas.

Strategic Support

The Customer Service Call Center was established during 2000-2001 and acts as the front-line, first point of contact for residents in search of information. In accordance with City Council direction, the City Auditor was directed to complete an audit of the Customer Service Call Center after 12 months of operation. Contained in that audit was a conclusion that the Center's call volume did not support 24 hours per day, 7 days a week staffing, and use of an answering service to handle off-peak hours calls could occur

without adversely impacting customer service levels. As a result, in this budget, five positions were eliminated and the hours of operation will be adjusted to Monday to Friday 6:30am to 8:30pm, Saturday 7am to 3pm and Sunday 9am to 1pm. An automated answering system will handle off-peak hour service calls.

Energy Assistance Low Income Fund monies are provided in 2002-2003 to continue to fund community programs that assist residents in meeting their energy payments, particularly those on limited incomes, such as seniors and low-income residents. This continuation is possible as a result of the contribution to the City provided by the CalPine Corporation as stipulated for in the recent agreement regarding the Metcalf Energy Center.

Funding is also provided to continue the San Jose Future Teachers Program. The number of loans available annually will remain stable at 66.

Other items of note that were approved in 2002-2003 include the following augmentations: Rancho del Pueblo Golf Course Debt Service (\$415,000), transition funds for two new Council Members that will be taking office in 2002-2003 (\$30,000) and matching grant funds for the United Way (250,000).

City-Wide Expenses

Budget Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Dollars by Program					
Economic & Neighborhood Development	\$ 17,500,804	\$ 18,231,111	\$ 15,922,507	\$ 17,431,134	(4.4%)
Environmental & Utility Services	588,280	1,824,500	872,000	872,000	(52.2%)
Public Safety	4,054,089	10,052,201	2,996,824	5,411,956	(46.2%)
Recreation & Cultural Services	19,265,873	30,832,148	17,743,945	26,837,108	(13.0%)
Transportation Services	1,373,483	2,577,170	2,246,835	2,503,835	(2.8%)
Strategic Support	39,321,607	40,672,370	36,165,463	39,195,844	(3.6%)
Total	\$ 82,104,136	\$ 104,189,500	\$ 75,947,574	\$ 92,251,877	(11.5%)
Dollars by Category					
City-Wide Expenses	\$ 82,104,136	\$ 104,189,500	\$ 75,947,574	\$ 92,251,877	(11.5%)
Total	\$ 82,104,136	\$ 104,189,500	\$ 75,947,574	\$ 92,251,877	(11.5%)
Dollars by Fund					
General Fund	\$ 82,104,136	\$ 104,189,500	\$ 75,947,574	\$ 92,251,877	(11.5%)
Total	\$ 82,104,136	\$ 104,189,500	\$ 75,947,574	\$ 92,251,877	(11.5%)
Authorized Positions	13.00	19.00	19.00	14.00	(26.3%)

City-Wide Expenses

Budget Reconciliation

(2001-2002 Adopted to 2002-2003 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2001-2002):	19.00	104,189,500	104,189,500
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
Economic and Neighborhood Development			
Rebudget: Alviso Historical Markers		(10,000)	(10,000)
Rebudget: Fiber Optic Maps		(32,332)	(32,332)
Rebudget: Integrated Development Tracking System		(150,000)	(150,000)
Rebudget: Neighborhood Immersion Project		(75,000)	(75,000)
Rebudget: Neighborhood Strip Retail Revitalization		(454,261)	(454,261)
Rebudget: Teacher Recruiting		(44,000)	(44,000)
Rebudget: Welcome Package to New Homeowners		(45,000)	(45,000)
Assessments for Development-Related Services Delivery		(100,000)	(100,000)
Homeless Families/Children Initiative Fund		(300,000)	(300,000)
Subtotal:	0.00	(1,210,593)	(1,210,593)
Environmental and Utility Services			
Rebudget: Environmental Education/Recycling Program - JPA Grant		(10,000)	(10,000)
Home Energy Assistance Program		(1,000,000)	(1,000,000)
Subtotal:	0.00	(1,010,000)	(1,010,000)
Public Safety			
Rebudget: Automated Information System		(6,141,000)	(6,141,000)
Rebudget: California Law Enforcement Equipment Program		(264,000)	(264,000)
Rebudget: COPS More Grant		(95,544)	(95,544)
Rebudget: Domestic Violence Public Outreach Programs		(27,000)	(27,000)
Rebudget: Domestic Violence-Free Zone Signage		(20,000)	(20,000)
Rebudget: EMS Program Consultant		(11,700)	(11,700)
Rebudget: Feasibility Study for Relocating Truancy Abatement and Suppression Center		(40,947)	(40,947)
Rebudget: Men in the Movement		(29,900)	(29,900)
Rebudget: Metropolitan Medical Task Force Grants		(177,957)	(177,957)
Rebudget: San Jose Prepared!		(65,000)	(65,000)
County Radio Interoperability Project		(25,000)	(25,000)
JPA Grant - Police Department		(11,250)	(11,250)
Subtotal:	0.00	(6,909,298)	(6,909,298)
Recreation and Cultural Services			
Rebudget: Alviso Community Center/Library Furnishings		(124,800)	(124,800)
Rebudget: Animal Care and Services Program		(912,000)	(912,000)
Rebudget: Anti-tobacco Program		(303,206)	(303,206)
Rebudget: Arts Venture Fund		(353,500)	(353,500)
Rebudget: Community Action and Pride Grants		(142,800)	(142,800)
Rebudget: Cultural Initiatives Plan Silicon Valley		(146,000)	(146,000)
Rebudget: Davis School Track Repairs and Upgrade		(30,000)	(30,000)
Rebudget: Family Care Small Business Assistance		(26,000)	(26,000)
Rebudget: Female Gang Intervention Program		(90,000)	(90,000)
Rebudget: Fischer Middle School Blacktop Replacement		(300,000)	(300,000)
Rebudget: Hoffman/Via Monte Neighborhood Youth Center		(300,000)	(300,000)

City-Wide Expenses

Budget Reconciliation

(2001-2002 Adopted to 2002-2003 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
Base Adjustments			
One-Time Prior Year Expenditures Deleted (Cont'd.)			
Recreation and Cultural Services (Cont'd.)			
Rebudget: Homework Centers		(259,300)	(259,300)
Rebudget: Hoover School		(300,000)	(300,000)
Rebudget: Morrill Middle School Portables		(200,000)	(200,000)
Rebudget: Neighborhood Revitalization Strategy		(2,623,300)	(2,623,300)
Rebudget: Networking of Remote Sites		(352,700)	(352,700)
Rebudget: PEARLS - JPA Grant		(24,000)	(24,000)
Rebudget: Red Ladder Theatre Company		(10,500)	(10,500)
Rebudget: San Jose BEST		(57,600)	(57,600)
Rebudget: San Jose Future Teachers Program		(61,000)	(61,000)
Rebudget: San Jose Safe Schools/Healthy Students Initiative		(504,900)	(504,900)
Rebudget: Washington Area Youth Center Subsidy		(19,600)	(19,600)
Rebudget: Weed and Seed - Washington Neighborhood		(112,400)	(112,400)
Rebudget: Weed and Seed Grant - "Seeding"		(31,000)	(31,000)
Digital Divide		(600,000)	(600,000)
Hammer Montessori School Playground Improvements		(43,000)	(43,000)
Historic Hoover Community Performing Arts Center		(300,000)	(300,000)
Improvements to Spartan Stadium		(50,000)	(50,000)
JPA Grant - Convention Arts & Entertainment Department		(30,000)	(30,000)
JPA Grants - PRNS		(1,662,722)	(1,662,722)
Lincoln High Track Improvements		(50,000)	(50,000)
Mexican Heritage Plaza Subsidy		(500,000)	(500,000)
Oster Elementary School Playground Renovations		(28,700)	(28,700)
Rancho del Pueblo Golf Course Debt Service		(325,000)	(325,000)
Rental Public Education and Outreach Program		(100,000)	(100,000)
Sakamoto School Outdoor Eating Area Improvements		(23,000)	(23,000)
San Jose Repertory Theater		(100,000)	(100,000)
San Jose Smart Start Centers		(1,400,000)	(1,400,000)
Senior Needs Assessment & Consultant Services		(150,000)	(150,000)
Rebudget: Senior Nutrition Program Expansion		(15,000)	(15,000)
Trail Signage at Montgomery Hill Park		(40,000)	(40,000)
Tuers Golf Course Debt Service		(550,000)	(550,000)
Vietnamese Cultural Heritage Garden Matching Grant		(250,000)	(250,000)
Willow Glen High School Track Improvement		(50,000)	(50,000)
Subtotal:	0.00	(13,552,028)	(13,552,028)
Transportation Services			
Rebudget: Gleason Avenue Streetscape		(120,000)	(120,000)
Linking Traffic Cameras to EOC		(67,500)	(67,500)
Subtotal:	0.00	(187,500)	(187,500)
Strategic Support			
Rebudget: Audiotext Telephone Information System		(21,000)	(21,000)
Rebudget: Cafeteria Maintenance and Equipment		(31,400)	(31,400)
Rebudget: City Outreach and Education Efforts		(170,000)	(170,000)
Rebudget: Class/Comp Study		(192,000)	(192,000)
Rebudget: Computer Equipment		(257,825)	(257,825)

City-Wide Expenses

Budget Reconciliation

(2001-2002 Adopted to 2002-2003 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
Base Adjustments			
One-Time Prior Year Expenditures Deleted (Cont'd.)			
Strategic Support (Cont'd.)			
Rebudget: Computer Systems Master Plan		(142,000)	(142,000)
Rebudget: Customer Service Call Center		(245,000)	(245,000)
Rebudget: Employee Suggestion Awards		(20,000)	(20,000)
Rebudget: Employee Training on Domestic and Workplace Violence		(30,000)	(30,000)
Rebudget: Energy Efficiency Projects		(13,573)	(13,573)
Rebudget: Enhanced Recruitment		(150,000)	(150,000)
Rebudget: Financial Management System Upgrade		(198,000)	(198,000)
Rebudget: Investing in Results Efforts		(327,800)	(327,800)
Rebudget: Major Space Renovations		(200,000)	(200,000)
Rebudget: Payroll/Human Resources Project		(2,078,131)	(2,078,131)
Rebudget: Revenue Enhancement Consulting Services		(1,597,000)	(1,597,000)
Rebudget: Technology Improvements		(574,250)	(574,250)
Rebudget: Telecommuting Program		(50,000)	(50,000)
Assessment for Employee-Related Service Delivery		(75,000)	(75,000)
Major Space Renovations		(310,000)	(310,000)
Public Works Unfunded Projects		(7,595)	(7,595)
Subtotal:	0.00	(6,690,574)	(6,690,574)
One-Time Prior Year Expenditures Subtotal:	0.00	(29,559,993)	(29,559,993)
Technical Adjustments of Costs to Ongoing Activities			
Economic and Neighborhood Development			
Convention Center Lease Payments		(1,098,011)	(1,098,011)
Subtotal:	0.00	(1,098,011)	(1,098,011)
Environmental and Utility Services			
IDC Garbage Disposal Fees		57,500	57,500
Subtotal:	0.00	57,500	57,500
Public Safety			
Automated Information System - Transfer to Information Technology Department and Police Department		(397,266)	(397,266)
Police Officers' Professional Liability Insurance		166,000	166,000
Tobacco Control Law		85,187	85,187
Subtotal:	0.00	(146,079)	(146,079)
Recreation and Cultural Services			
Animal Care and Services Program		714,056	714,056
San Jose Safe Schools/Healthy Students Initiative		(254,020)	(254,020)
Technology Center Subsidy		500	500
Strong Neighborhoods Initiative		3,289	3,289
Subtotal:	0.00	463,825	463,825
Transportation Services			
Sidewalk Fund		(100,000)	(100,000)
Subdivision Street Name Signs		(15,335)	(15,335)
Subdivision Traffic Signs/Pavement Markings		(27,500)	(27,500)
Subtotal:	0.00	(142,835)	(142,835)

City-Wide Expenses

Budget Reconciliation

(2001-2002 Adopted to 2002-2003 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
Base Adjustments			
Technical Adjustments of Costs to Ongoing Activities (Cont'd.)			
Strategic Support			
Banking Services		200,000	200,000
Central Service Yard Debt Service		(1,755)	(1,755)
City Dues/Memberships		42,587	42,587
City Outreach and Education Efforts		33,000	33,000
Competition Monitoring		(6,000)	(6,000)
Customer Service Call Center		97,841	97,841
Downtown Employee Parking		123,120	123,120
General Employee Tuition		180,000	180,000
General Liability Insurance Premiums		(22,500)	(22,500)
ICMA Performance Measurement		(5,000)	(5,000)
Low Income Fund (Energy)		250,000	250,000
Major Space Renovations		100,000	100,000
Payroll/Human Resources Project		(276,721)	(276,721)
Public Works Unfunded Projects - Transfer to Public Work		(161,566)	(161,566)
Safety Program - Transfer to Human Resources		(398,259)	(398,259)
SB 90 Consultant Services		5,000	5,000
Sick Leave Payments Upon Retirement		217,920	217,920
Workers' Comp Excess Risk Insurance		206,000	206,000
Workers' Compensation Claims		1,500,000	1,500,000
Workers' Compensation State License - Transfer fr. Finance		100,000	100,000
Subtotal:	0.00	2,183,667	2,183,667
Technical Adjustments Subtotal:	0.00	1,318,067	1,318,067
2002-2003 Forecast Base Budget:	19.00	75,947,574	75,947,574

Investment/Budget Proposals Approved

Economic and Neighborhood Development

- Homeless Families and Children Initiative Fund		300,000	300,000
- Neighborhood Clean Up Program Expansion		363,514	363,514
- Richmond/Menker Apartment Improvements		65,000	65,000
- Palm Haven Pillars Restoration		10,000	10,000
- Miscellaneous Rebudgets		770,113	770,113
Subtotal:	0.00	1,508,627	1,508,627

Public Safety

- Fire Training Reduction		(52,000)	(52,000)
- Miscellaneous Rebudgets		2,467,132	2,467,132
Subtotal:	0.00	2,415,132	2,415,132

City-Wide Expenses

Budget Reconciliation

(2001-2002 Adopted to 2002-2003 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
Investment/Budget Proposals Approved			
Recreation & Cultural Services			
- Homework Center Funding Shift		(640,000)	(640,000)
- Changes in Vehicle Maintenance Staffing Levels		(6,000)	(6,000)
- Rancho del Pueblo Golf Course Debt Service		415,000	415,000
- San Jose LEARNS		1,585,150	1,585,150
- San Jose Recreational Swim Center		66,900	66,900
- City-School Partnership for Reed Elementary School Playground Renovations		31,000	31,000
- Roy Park Upgrades		20,000	20,000
- Miscellaneous Rebudgets		7,621,113	7,621,113
Subtotal:	0.00	9,093,163	9,093,163
Transportation			
- Citation Processing Costs for Second Sweep		137,000	137,000
- Rebudget: Gleason Avenue Streetscape		120,000	120,000
Subtotal:	0.00	257,000	257,000
Strategic Support			
- Customer Service Call Center Efficiency Savings	(5.00)	(282,719)	(282,719)
- City-Wide Insurance Coverage Cost Savings Review		(400,000)	(400,000)
- Funding Shift for National Urban/Rural Fellow Program		(50,000)	(50,000)
- Eliminate Innovation and Technology Improvements Appropriation		(29,000)	(29,000)
- United Way Support		250,000	250,000
- New Council Member Transition Fund		30,000	30,000
- Miscellaneous Rebudgets		3,512,100	3,512,100
Subtotal:	(5.00)	3,030,381	3,030,381
Total Investment/Budget Proposals Approved	(5.00)	16,304,303	16,304,303
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2002-2003 Adopted Budget Total	14.00	92,251,877	92,251,877

City-Wide Expenses

Budget Program: Economic and Neighborhood Development

City Service Area: Economic and Neighborhood Development

The Economic and Neighborhood Development City Service Area Program encompasses services related to land use planning, development permitting and code regulation, housing (including affordable housing and homeless services), and economic development.

Budget Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Economic and Neighborhood Devpt.	\$ 17,500,804	\$ 18,231,111	\$ 15,922,507	\$ 17,431,134	(4.4%)
Total	\$ 17,500,804	\$ 18,231,111	\$ 15,922,507	\$ 17,431,134	(4.4%)
Authorized Positions	0.00	0.00	0.00	0.00	N/A

City-Wide Expenses

Budget Program: Economic and Neighborhood Development

City Service Area: Economic and Neighborhood Development

Budget Changes by Program

Adopted Program Changes	Positions	General Fund (\$)
1. Homeless Families and Children Initiative Fund		300,000
As directed in the Mayor's Budget Message, this action provides \$300,000 to continue the Homeless Families and Children Initiative Fund. This fund will continue to support creative and collaborative proposals from the community to address the needs of homeless families and individuals. (Ongoing cost: \$0)		
2. Neighborhood Clean-Up Program Expansion		363,514
This action provides ongoing funding for the bins and bin monitoring staff costs to expand the Neighborhood Clean-Up Program and to deliver an anti-litter program in the Strong Neighborhood areas. Currently each Council District has four neighborhood clean-ups. A majority of the Strong Neighborhoods Initiative (SNI) plans that have been approved include, within their Top 10 lists, additional neighborhood clean-ups. Another component of this program expansion is the addition of a redeployed Code Enforcement Inspector to help oversee the expanded clean-up program (also shown as a reduction in the Planning, Building and Code Enforcement Department section of this document). All costs for this expansion are supported by a reimbursement from the Redevelopment Agency. (Ongoing cost: \$363,514)		
3. Richmond/Menker Apartment Improvements		65,000
This action provides \$65,000 toward a combined effort to reduce blighted conditions and to discourage gang activity in the Richmond/Menker Apartment complex. (Ongoing cost: \$0)		
4. Palm Haven Pillars Restoration		10,000
This action provides \$10,000 to refurbish seven existing historic pillars and build four additional matching pillars that surround the Palm Haven neighborhood. These pillars serve as important gateways for the neighborhood. (Ongoing cost: \$0)		
5. Miscellaneous Rebudgets		770,113
The rebudget of unexpended 2001-2002 funds will allow for the completion of the projects listed below in 2002-2003. (Ongoing cost: \$0):		
Alviso Historical Markers		10,000
Neighborhood & Strip Retail Revitalization		454,261
Neighborhood Immersion Project		150,000
Rental Dispute Public Education & Outreach		66,250
San Jose Permits On-Line (formerly IDTS)		72,000
Welcome Package for New Homeowners		17,602
2002-2003 Adopted Program Changes Total	0.00	1,508,627

City-Wide Expenses

Budget Program: Economic and Neighborhood Development

City Service Area: Economic and Neighborhood Development

Detail of Costs Description

Economic and Neighborhood Development	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4
Alviso Historical Markers	0	10,000	0	10,000
Auditorium and CPA Rental Payments	179,925	180,000	180,000	180,000
Consultant Services - Convention Center	127,736	0	0	0
Convention Center Lease Payments	13,544,387	13,842,629	12,744,618	12,744,618
Convention and Visitors Bureau Marketing Pgm.	2,457,004	2,542,999	2,542,999	2,542,999
Fiber Optic Maps	510	32,332	0	0
Homeless Families/Children Initiative Fund	0	300,000	0	300,000
Integrated Development Tracking System	891,431	150,000	0	0
Neighborhood and Strip Retail Revitalization	0	454,261	0	454,261
Neighborhood Clean-Ups	153,325	329,890	329,890	693,404
Neighborhood Immersion Project	0	150,000	75,000	225,000
Regional Geological Study - Phase I	2,053	0	0	0
Assessment for Development-Related Services	0	100,000	0	0
Rental Dispute Public Ed. & Outreach	0	0	0	66,250
Richmond/Menker Apartment Improvements	0	0	0	65,000
Palm Haven Pillars Restoration	0	0	0	10,000
San Jose Permits On-Line	0	0	0	72,000
Teacher Recruiting	77,409	94,000	50,000	50,000
Welcome Package for New Homeowners	11,398	45,000	0	17,602
Workforce Investment Act (WIA)	55,626	0	0	0
TOTAL	\$ 17,500,804	\$ 18,231,111	\$ 15,922,507	\$ 17,431,134

City-Wide Expenses

Budget Program: Environmental and Utility Services

City Service Area: Environmental and Utility Services

The Environmental and Utility Services City Service Area Program provides basic utility services in a way that values the environment and makes it easy for residents and businesses to do the same. The recent energy situation in California has underscored the importance of this CSA's services related to energy sustainability.

Budget Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Environmental and Utility Services	\$ 588,280	\$ 1,824,500	\$ 872,000	\$ 872,000	(52.2%)
Total	\$ 588,280	\$ 1,824,500	\$ 872,000	\$ 872,000	(52.2%)
Authorized Positions	0.00	0.00	0.00	0.00	N/A

City-Wide Expenses

Budget Category: Environmental and Utility Services
City Service Area: Environmental and Utility Services

Budget Changes by Program

Adopted Program Changes	Positions	General Fund (\$)
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NONE

City-Wide Expenses

Budget Program: Environmental and Utility Services

City Service Area: Environmental and Utility Services

Detail of Costs Description

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4
Environmental and Utility Services				
Env. Education / Recycling Program - JPA Grant	0	10,000	0	0
Home Energy Assistance Program	0	1,000,000	0	0
IDC Garbage Disposal Fees	483,600	689,500	747,000	747,000
Storm Fees	104,680	125,000	125,000	125,000
TOTAL	\$ 588,280	\$ 1,824,500	\$ 872,000	\$ 872,000

City-Wide Expenses

Budget Program: Public Safety

City Service Area: Public Safety

The Public Safety City Service Area Program includes services focused on crime prevention, law enforcement, fire prevention and suppression, emergency medical care, and disaster response for the San Jose community.

Budget Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Public Safety	\$ 4,054,089	\$ 10,052,201	\$ 2,996,824	\$ 5,411,956	(46.2%)
Total	\$ 4,054,089	\$ 10,052,201	\$ 2,996,824	\$ 5,411,956	(46.2%)
Authorized Positions	0.00	0.00	0.00	0.00	N/A

City-Wide Expenses

Budget Program: Public Safety
City Service Area: Public Safety

Budget Changes by Program

Adopted Program Changes	Positions	General Fund (\$)
1. Fire Training Reduction		(52,000)
This action reduces the amount of training funds in City-Wide Expenses by \$52,000 leaving the ongoing resource level at \$198,000. This level of funding is still consistent with the Fire Department's long-range training strategy for fire operations and management. (Ongoing savings: \$52,000)		
2. Miscellaneous Rebudgets		2,467,132
The rebudget of unexpended 2001-2002 funds will allow for the completion of the projects listed below in 2002-2003. (Ongoing cost: \$0):		
Automated Information System		1,710,387
California Law Enforcement Equipment Program		393,036
Career Criminal Apprehension Grant Program		2,765
COPS MORE Grant		95,544
County Interoperability Project		5,500
Domestic Violence-Free Zone Signage		20,000
Men in the Movement		59,900
Metropolitan Medical Strike Team		115,000
San Jose Prepared!		65,000
2002-2003 Adopted Program Changes Total	0.00	2,415,132

City-Wide Expenses

Budget Program: Public Safety

City Service Area: Public Safety

Detail of Costs Description

Public Safety	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4
2001 California Police and Fire Summer Games	124,340	0	0	0
Annual Domestic Violence Conference	5,000	5,000	5,000	5,000
Automated Information System	2,494,435	8,143,243	1,604,977	3,315,364
California Law Enforcement Equipment Program Grant	108,093	264,000	0	393,036
Career Criminal Apprehension Program	43,933	0	0	2,765
COPS More Grant	0	95,544	0	95,544
County Radio Interoperability Project	0	25,000	0	5,500
Crimestoppers	9,018	10,000	10,000	10,000
Critical Incident Stress Debriefing	(4,000)	15,000	15,000	15,000
Defibrillator Program	113,606	34,000	34,000	34,000
Domestic Violence - Walk to End - Coordination/Marketing	3,587	5,000	5,000	5,000
Domestic Violence Public Outreach Programs	5,649	27,000	0	0
Domestic Violence-Free Zone Signage	0	20,000	0	20,000
Domestic Violence Response Team	13,241	0	0	0
Domestic Violence - Men in the Movement	391	59,900	30,000	89,900
EMS Program Consultant	7,617	11,700	0	0
Feasibility Study for Relocating the Truancy Abatement Center and Suppression Center	12,009	40,947	0	0
Fire Department "Shark" Engine	20,000	0	0	0
Fire Training	249,882	250,000	250,000	198,000
JPA Grant - Police Department	0	11,250	0	0
Metropolitan Medical Task Force	(1,573)	177,957	0	115,000
Police Officers' Professional Liability Insurance	390,343	455,000	621,000	621,000
Police Pre-Processing Center	19,547	0	0	0
San Jose Prepared!	59,909	155,500	90,500	155,500
Sexual Assaults Testing	132,380	180,000	180,000	180,000
State/Local Domestic Preparedness Equipment Grant	200,468	0	0	0
Tobacco Control Law Grant	0	0	85,187	85,187
Traffic Enforcement Unit	814	0	0	0
Victim/Witness Assistance Program	45,400	66,160	66,160	66,160
TOTAL	\$ 4,054,089	\$ 10,052,201	\$ 2,996,824	\$ 5,411,956

City-Wide Expenses

Budget Program: Recreation and Cultural Services

City Service Area: Recreation and Cultural Services

The Recreation and Cultural Services City Service Area Program provides San Jose residents with access to high quality recreational, cultural, library, and community services and facilities to achieve the vision of "A strong community that celebrates life and learning."

Budget Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Recreation and Cultural Services	\$ 19,265,873	\$ 30,832,148	\$ 17,743,945	\$ 26,837,108	(13.0%)
Total	\$ 19,265,873	\$ 30,832,148	\$ 17,743,945	\$ 26,837,108	(13.0%)
Authorized Positions	0.00	0.00	0.00	0.00	N/A

City-Wide Expenses

Budget Program: Recreation and Cultural Services

City Service Area: Recreation and Cultural Services

Budget Changes by Program

Adopted Program Changes	Positions	General Fund (\$)
1. Homework Center Funding Shift		(640,000)
<p>This action shifts funding for 40 Homework Center sites currently funded in the General Fund to the Healthy Neighborhoods Venture Fund (HNVF). Due to the current economic instability, the cost of 40 additional Homework Centers added to the Parks, Recreation and Neighborhood Service Department in 2001-2002 will now be funded directly from the HNVF. This will relieve the General Fund of the cost without impacting service delivery levels. (Ongoing savings: \$640,000)</p>		
2. Changes in Vehicle Maintenance Staffing Levels		(6,000)
<p>This action is the result of an increase in the vacancy factor for General Services vehicle maintenance staffing. This will generate savings of \$6,000 in City-Wide Expenses for the Animal Care and Services Program and reflects a likely downsizing of the fleet resulting from an audit currently in progress of the vehicle program. General Services will mitigate the reduction by managing its vacancies and determining which vacancies are critical to be filled, redeploying resources to key positions and reducing or eliminating less critical services. (Ongoing savings: \$6,000)</p>		
3. Rancho del Pueblo Golf Course Debt Service		415,000
<p>This addition provides one-time funding to supplement debt service payments for the Rancho del Pueblo Golf Course in 2002-2003. This subsidy is necessary as the revenue projected for 2002-2003 will not be sufficient to cover costs of operations, maintenance and debt service payments. (Ongoing cost: \$0)</p>		
4. San Jose LEARNS		1,585,150
<p>The City was awarded a grant renewal from the California Department of Education's After School Learning and Safe Neighborhoods Partnership Program. The City, in cooperation with six school districts and a broad range of community based organizations will operate 19 elementary and 2 middle school sites. LEARNS is an acronym for literacy, education, arts, recreation nurtures students. The grant includes funding to continue one Community Service Supervisor, one Analyst, two Recreation Specialists and one Recreation Leader PT position, as well as contract funding for each site and related non-personal/equipment support. The grant amount represents the budget for the first year of a three program. Previously, this grant appeared in Parks, Recreation and Neighborhood Services Department's budget. (Ongoing cost: 1,585,150)</p>		
5. San Jose Recreational Swim Center		66,900
<p>This addition provides funding for a pool cover for the childrens' pool, security and concession equipment and a dataline for on-site computers at the San Jose Recreational Swim Center. (Ongoing cost: 0)</p>		

City-Wide Expenses

Budget Program: Recreation and Cultural Services

City Service Area: Recreation and Cultural Services

Budget Changes by Program (Cont'd.)

Adopted Program Changes	Positions	General Fund (\$)
6. City-School Partnership for Reed Elementary School Play Ground Renovations		31,000
This action provides matching funding for new playground equipment, concrete boxes and surface materials at Reed Elementary School to comply with State safety and accessibility standards. These improvements will support outdoor physical education for students and provide better neighborhood recreation facilities for the residents of surrounding neighborhoods after school hours. (Ongoing cost: \$0)		
7. Roy Park Upgrades		20,000
This action provides funding to upgrade Roy Park. The funds will be used to add landscaping features and enhance safety with an additional light fixture. The community will be assisting with future park maintenance through the Adopt-a-Park Program. (Ongoing cost: \$0)		
8. Miscellaneous Rebudgets		7,621,113
The rebudget of unexpended 2001-2002 funds will allow for the completion of the projects listed below in 2002-2003. (Ongoing cost: \$0):		
Animal Care and Services		400,000
Anti-Tobacco Program		303,208
Art Venture Funds		182,025
Blueprint for Bridging the Digital Divide		559,000
Community Action & Pride Grants		312,000
Davis School Track Repairs and Upgrade		30,000
Female Gang Intervention Program		57,000
Fischer School Blacktop		300,000
Hoffman Reading Program Evaluation		10,500
Homework Centers		385,200
Hoover Performing Arts Center		1,300,000
Lincoln High Track Improvements		50,000
Mayor's Excellence in Education Awards		13,005
Morrill Middle School Portable		200,000
Neighborhood Revitalization Strategy		1,955,831
Networking of Remote Sites		195,000
Packard Grant Smart Start Sites		101,744
Safe School/Healthy Students Initiative		365,500
Sakamoto School Outdoor Eating Area Improvements		23,000
San Jose Future Teachers Program		96,000
San Jose Smart Start Centers		418,000
Senior Needs Assessment		150,000
Trail Signage at Montgomery Hill Park		37,100
Weed & Seed Washington Neighborhood		127,000
Willow Glen High School Track		50,000
2002-2003 Adopted Program Changes Total	0.00	9,093,163

City-Wide Expenses

Budget Program: Recreation and Cultural Services

City Service Area: Recreation and Cultural Services

Detail of Costs Description

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4
Recreation and Cultural Services				
Afribbean Music and Cultural Festival	20,000	0	0	0
After School Art Ed/JPA Grant	26,000	0	0	0
Aging Services Grants	18,000	0	0	0
Alviso Community Center/Library Furnishings	40,394	124,800	0	0
Animal Care and Services Program	2,654,361	4,597,448	4,399,504	4,793,504
Anti-tobacco Program	327,494	303,206	0	303,208
Arts Venture Fund	104,475	603,500	250,000	432,025
Bernal/Anderson Baseball Field Impvts	22,000	0	0	0
Blueprint for Bridging the Digital Divide	0	600,000	0	559,000
Improvements to Spartan Stadium	0	50,000	0	0
Child Care Portable Debt Service Payments	336,010	390,000	390,000	390,000
Children's Discovery Museum	300,000	310,500	310,500	310,500
City-School Partner for Reed Elementary School Playground Renovations	0	0	0	31,000
Community Action and Pride Grants	326,029	642,800	500,000	812,000
Community Mini-Grants for Youth	99,554	25,000	25,000	25,000
Cultural Initiatives Plan Silicon Valley	75,111	146,000	0	0
Davis School Track Repairs and Upgrade	0	30,000	0	30,000
Emergency Housing Consortium Fireworks	25,000	25,875	25,875	25,875
Employee Enhancement Referral Program for Child and Elder Care	24,626	56,100	56,100	56,100
Family Care Small Business Assistance Grant	82,966	26,000	0	0
Female Gang Intervention Program Grant	63,256	90,000	0	57,000
Festival, Parade/Celebration - Official City Events	30,000	30,000	30,000	30,000
Fischer Middle School Blacktop Replacement	0	300,000	0	300,000
Guadalupe Park and Gardens	150,000	77,625	77,625	77,625
Hammer Montessori School Playground Impvts	0	43,000	0	0
Historic Hoover Community Performing Arts Ctr	0	300,000	0	0
Historic Hoover Community Performing Arts Ctr	0	300,000	0	0
Hist Museums Shelving & Trolley Barn Impvts	16,579	0	0	0
Hoffman Reading Program Evaluation	0	0	0	10,500
Hoffman/Via Monte Neighborhood Youth Center	0	300,000	0	0
Homework Centers	2,355,454	3,049,300	2,790,000	2,535,200
Hoover Performing Arts Center	0	0	0	1,300,000
Hoover School	0	300,000	0	0
Inner City Games	4,250	0	0	0
International Partnerships/Sister City Program	0	25,875	25,875	25,875
JPA Grant - Conventions, Arts & Entertainment	0	30,000	0	0
JPA Grants - Parks, Rec & Neighborhood Svcs	1,050,127	1,662,722	0	0
Lincoln High Track Improvements	0	50,000	0	50,000
Mayor's Excellence in Education Awards Program	26,995	0	0	13,005
Mentoring Academy	80,864	0	0	0
Mexican Heritage Cultural Gardens	413,783	928,265	428,265	428,265
Mexican Heritage Plaza - Centro Cultural de San Jose	650,000	0	0	0
Moreland-West Community Center	8,231	0	0	0

City-Wide Expenses

Budget Program: City-Wide Expenses

City Service Area: Recreation and Cultural Services

Detail of Costs Description (Cont'd.)

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4
Recreation and Cultural Services				
Morrill Middle School Portable	0	200,000	0	200,000
Mt Pleasant High School Improvements	920,662	0	0	0
Neighborhood Revitalization Strategy	90,945	2,623,300	0	1,955,831
Networking of Remote Sites	86,566	352,700	0	195,000
New Year's Carnival	45,382	50,000	50,000	50,000
Oster Elem School Playground Renovations	0	28,700	0	0
Packard Grant Smart Start Sites	0	0	0	101,744
PEARLS - JPA Grant	0	24,000	0	0
Project Match	2,805	0	0	0
Rancho del Pueblo Golf Course Debt Service	100,000	325,000	0	415,000
Red Ladder Theatre Company	15,000	10,500	0	0
Rental Public Education/Outreach Program	0	100,000	0	0
Roy Park Upgrades	0	0	0	20,000
Sakamoto School Outdoor Eating Area Impvts	0	23,000	0	23,000
Safe School Initiative Expansion	89,098	0	0	0
San Jose BEST	3,165,032	3,057,600	3,000,000	3,000,000
San Jose Ballet Challenge Grant	250,000	0	0	0
San Jose Children's Musical Theater	50,000	0	0	0
San Jose Future Teachers Program	94,504	261,000	200,000	296,000
San Jose Historical Museum Subsidy	949,823	984,340	984,340	984,340
San Jose LEARNS	0	0	0	1,585,150
San Jose Museum of Art School	52,500	36,225	36,225	36,225
San Jose Museum of Art Subsidy	500,000	517,500	517,500	517,500
San Jose Recreational Swim Center	0	0	0	66,900
San Jose Repertory Theater	400,000	414,000	314,000	314,000
San Jose Safe Schools/Healthy Students Initiative	303,918	1,378,900	619,980	985,480
San Jose Smart Start Centers	398,691	1,400,000	0	418,000
Senior Needs Assessment/Consultant Svcs	0	150,000	0	150,000
Senior Nutrition Program Expansion	64,524	15,000	0	0
Shelter Services Funds for Seniors	50,000	52,000	52,000	52,000
Strong Neighborhoods Initiative	640,108	789,684	792,973	792,973
Technology Center Subsidy	1,300,000	1,345,000	1,345,500	1,345,500
Trail Signage at Montgomery Hill Park	0	40,000	0	37,100
Tuers Golf Course Debt Service	0	550,000	0	0
Vietnamese Cultural Heritage Garden	0	250,000	0	0
Washington Area Youth Center Subsidy	197,194	536,283	516,683	516,683
Weed Abatement Program	4,909	6,000	6,000	6,000
Weed and Seed - Washington Neighborhood	40,661	112,400	0	127,000
Weed and Seed Grant - "Seeding"	121,992	31,000	0	0
Willow Glen High School Track	0	50,000	0	50,000
TOTAL	\$ 19,265,873	\$ 31,132,148	\$ 17,743,945	\$ 26,837,108

City-Wide Expenses

Budget Program: Transportation Services

City Service Area: Transportation Services

The Transportation Services City Service Area Program includes services related to surface transportation. The departments and Redevelopment Agency divisions form the team responsible for planning, developing, operating, and maintaining a safe and efficient transportation system.

Budget Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Transportation Services	\$ 1,373,483	\$ 2,577,170	\$ 2,246,835	\$ 2,503,835	(2.8%)
Total	\$ 1,373,483	\$ 2,577,170	\$ 2,246,835	\$ 2,503,835	(2.8%)
Authorized Positions	0.00	0.00	0.00	0.00	N/A

City-Wide Expenses

Budget Program: Transportation Services

City Service Area: Transportation Services

Budget Changes by Program

Adopted Program Changes	Positions	General Fund (\$)
1. Citation Processing Costs for Second Street Sweep		137,000
<p>This action provides \$137,000 to augment existing contract services for processing City-issued parking citations. The augmentation is needed because the number of citations is expected to increase in 2002-2003 due to an expansion in the parking citation program. In July 2002, residential street sweeping will increase in frequency to twice a month, requiring a doubling of the enforcement effort in areas that currently restrict parking during street sweeping times. Approximately 50 miles of new streets that restrict parking during street sweeping times will also be added in 2002-2003. Additionally, two new large Residential Permit Parking zones will come on line in 2002-2003 and will require parking enforcement to ensure only permitted cars are parked on the streets. (Ongoing cost: \$137,000)</p>		
2. Rebudget: Gleason Avenue Streetscape		120,000
<p>This rebudget of unexpended 2001-2002 funds will allow for the completion of the Gleason Avenue Streetscape project in 2002-2003. (Ongoing cost: \$0):</p>		
2002-2003 Adopted Program Changes Total	0.00	257,000

City-Wide Expenses

Budget Program: Transportation Services

City Service Area: Transportation Services

Detail of Costs Description

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4
Transportation Services				
Contractual Street Tree Planting	227,295	204,000	204,000	204,000
Gleason Avenue Streetscape	0	120,000	0	120,000
Linking Traffic Cameras to EOC	0	67,500	0	0
Parking Citations/Jail Courthouse Fees	749,333	750,000	750,000	750,000
Processing of Parking Citations	350,000	350,000	350,000	487,000
Sidewalk Fund	0	1,000,000	900,000	900,000
Subdivision Street Name Signs	12,305	30,670	15,335	15,335
Subdivision Traffic Signs/Pavement Markings	34,550	55,000	27,500	27,500
TOTAL	\$ 1,373,483	\$ 2,577,170	\$ 2,246,835	\$ 2,503,835

City-Wide Expenses

Budget Program: Strategic Support

City Service Area: Strategic Support

Strategic Support City Services Area Programs facilitate the delivery of quality services to San Jose residents through their support of all of the other City Service Areas. There are three Strategic Support City Service Areas. City Facilities and Equipment manages the acquisition, construction, maintenance, installation, and replacement of City facilities and equipment. Employee Services provides services related to recruiting and equipping employees with the training, benefits, and working environment necessary to successfully deliver services to the community. Finance and Technology manages the City's financial and information technology resources.

Budget Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Strategic Support	\$ 39,321,607	\$ 40,672,370	\$ 36,165,463	\$ 39,195,844	(3.6%)
Total	\$ 39,321,607	\$ 40,672,370	\$ 36,165,463	\$ 39,195,844	(3.6%)
Authorized Positions	13.00	19.00	19.00	14.00	(26.3%)

City-Wide Expenses

Budget Program: Strategic Support *City Service Area: Strategic Support*

Budget Changes by Program

Adopted Program Changes	Positions	General Fund (\$)
1. Customer Service Call Center Efficiency Savings	(5.00)	(282,719)
<p>This action reduces funding for the Customer Service Call Center. In accordance with City Council direction, the City Auditor completed an audit of the Customer Service Call Center to identify any efficiencies that could be implemented. It was determined that expenses could be reduced without a major adverse impact to customer service levels by contracting with an answering service to answer off-peak calls. This results in the elimination of two Program Supervisors and three Senior Office Specialist positions. It will also change the operating hours from 24/7 to Monday to Friday 6:30am to 8:30pm, Saturday 7:00am to 3:00pm and Sunday 9:00am to 1:00pm. An automated answering system will handle all other service calls during the remaining hours of each day. (Ongoing savings: \$272,000)</p>		
2. City-Wide Insurance Coverage Cost Savings Review		(400,000)
<p>The insurance industry is projecting volatile premium increases as a result of the terrorist attacks on September 11, 2001. Given the state of the industry, it is appropriate to review insurance coverage, limits and deductibles and reasonably adjust policies to be more cost-effective. Within the context of maintaining a balanced Risk Management Program, the Finance Department believes that General Fund cost savings can be achieved by strategically adjusting liability insurance coverage city-wide. City staff and an insurance broker will re-evaluate insurance purchases paying particular attention to overall coverage, existing limits and retentions (deductibles). Incorporating certain consultant recommendations from a recent review of risk management practices, City staff will design a comprehensive program that achieves reasonable insurance coverage and General Fund savings of \$400,000 in 2002-2003. (Ongoing savings: \$400,000)</p>		
3. Funding Shift for National Urban/Rural Fellow Program		(50,000)
<p>This action eliminates the National Urban/Rural Fellow appropriation and shifts the funding mechanism for the program to department support, consistent with the funding mechanism for the Management Fellow program. The City's Management Fellow Program is funded through the use of salary savings within the departments to which the Fellows are assigned. (Ongoing savings: \$50,000)</p>		
4. Eliminate Innovation and Technology Improvements Appropriation		(29,000)
<p>This action eliminates the small City-Wide Expenses Innovation and Technology Improvements appropriation. Given the size of this appropriation, it is anticipated that any necessary expenditures related to this area can be absorbed in the City Manager's Office non-personal/equipment appropriation. This action is not expected to affect current service levels. (Ongoing savings: \$29,000)</p>		
5. United Way Support		250,000
<p>This action provides funds for a matching grant program to United Way that will match dollar for dollar any funds that are contributed for capacity building from any City in the County, local corporations or foundation pledge within the next six months. Contributions to United Way have decreased with corresponding reduction in funding for many worthy groups. This investment will provide more resources for local community organizations. (Ongoing cost: \$0)</p>		

City-Wide Expenses

Budget Category: Strategic Support
City Service Area: Strategic Support

Budget Changes by Program (Cont'd.)

Adopted Program Changes	Positions	General Fund (\$)
6. New Council Member Transition Fund		30,000
During 2002-2003, two new Council Members will take office. Funding is provided to assist in their transition with furnishings and equipment. (Ongoing cost: \$0)		
7. Miscellaneous Rebudgets		3,512,100
The rebudget of unexpended 2001-2002 funds will allow for the completion of the projects listed below in 2002-2003. (Ongoing cost: \$0):		
Arena Community Fund		253,450
Audiotext Telephone Information Line		21,000
Cafeteria Maintenance & Equipment		18,000
City Outreach and Education		132,000
City Security Measures		80,000
Compensation & Classification Project		130,000
Computer Systems Master Plan		142,000
Customer Service Call Center		75,000
Employee Training on Domestic/Work Place Violence		44,000
Energy Efficiency Projects		8,000
Financial Management System Upgrade		170,000
Investing in Results		250,000
Liability Program Consultant		21,500
Major Space Renovations		526,000
Payroll/Human Resources Project		690,000
Revenue Enhancement Consultant Services		500,000
Technology Improvements		451,150
2002-2003 Adopted Program Changes Total	(5.00)	3,030,381

City-Wide Expenses

Budget Program: Strategic Support

City Service Area: Strategic Support

Detail of Costs Description

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4
Strategic Support				
Strategic Support - City Facilities and Equipment				
Cafeteria Maintenance and Equipment	3,438	51,400	20,000	38,000
City Improvement Allocation	67,500	0	0	0
City Security Measures	0	0	0	80,000
Energy Efficiency Projects	0	13,573	0	8,000
Major Space Renovations	516,869	510,000	100,000	626,000
Public Works Unfunded Projects	134,945	319,161	150,000	150,000
Subtotal	722,752	894,134	270,000	902,000
Strategic Support - Employee Services				
1970 COLA Fed, Police & Fire Retirees	5,529	5,800	5,800	5,800
1980 COLA Fed, Police & Fire Retirees	95,301	99,000	99,000	99,000
1990 COLA Fed, Police & Fire Retirees	190,956	195,500	195,500	195,500
Assessment for Employee-Related Services	0	75,000	0	0
Compensation and Classification Project	105,150	192,000	0	130,000
Drug/Alcohol Treatments	5,635	25,000	25,000	25,000
Employee Recognition Expenses	36,194	39,000	39,000	39,000
Employee Training on Domestic / Work Place Violence	0	60,000	30,000	74,000
Enhanced Recruitment	177,005	150,000	0	0
Ergonomics Program	5,675	0	0	0
General Employee Tuition	49,672	70,000	250,000	250,000
Police Retirees' Health/Dental Fees	41,313	70,000	70,000	70,000
Safety Program	418,207	398,259	0	0
Training and Continuous Improvement	320,945	400,000	400,000	400,000
Subtotal	1,451,582	1,779,559	1,114,300	1,288,300
Strategic Support - Finance and Technology				
Banking Services	0	500,000	700,000	700,000
Central Service Yard Debt Service	1,655,460	1,758,147	1,756,392	1,756,392
Computer Equipment	149,834	257,825	0	0
Computer Systems Master Plan	535	142,000	0	142,000
Downtown Employee Parking	375,300	492,480	615,600	615,600
General Liability Claims	7,644,753	3,500,000	3,500,000	3,500,000
Financial Management System Upgrade	197,175	303,500	105,500	275,500
General Liability Insurance Premiums	267,820	562,500	0	0
Insurance Premiums	0	0	940,000	540,000
Liability Program Consultant	32,500	0	0	21,500
Payroll/Human Resources Project	1,021,893	2,354,852	0	690,000
Peoplesoft Upgrade/Modifications	999,974	0	0	0
Property Tax Administrative Fee	790,418	832,000	832,000	832,000
Revenue Enhancement Consulting Services	688,227	2,797,000	1,200,000	1,700,000
SB 90 Consultant Services	23,766	35,000	40,000	40,000
Securities Custody Services	0	50,000	50,000	50,000

City-Wide Expenses

Budget Program: Strategic Support

City Service Area: Strategic Support

Detail of Costs Description (Cont'd.)

Strategic Support	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4
Strategic Support - Finance and Technology (Cont'd.)				
Sick Leave Payments Upon Retirement	3,133,036	3,632,000	3,849,920	3,849,920
Technology Improvements	225,750	574,250	0	451,150
Telecommuting Program	0	50,000	0	0
Workers' Comp Excess Risk Insurance	163,728	194,000	0	0
Workers' Compensation State License	0	0	100,000	100,000
Year 2000 Computer System	22,616	0	0	0
Subtotal	17,392,785	18,035,554	13,689,412	15,264,062
Strategic Support - Others				
Annual Audit	156,891	196,545	196,545	196,545
Arena Authority	262,650	271,843	271,843	271,843
Arena Capital Fund Payments	0	200,000	200,000	200,000
Arena Community Fund	0	250,000	250,000	503,450
Audiotext Telephone Information System	20,000	21,000	0	21,000
Bay 101 Audit	21,952	35,000	35,000	35,000
Cable Franchise Consulting	156,106	0	0	0
Campaign Finance Review/Ethics	0	10,000	10,000	10,000
CCAN Innovation Group	0	5,000	5,000	5,000
City Dues/Memberships	155,646	282,413	325,000	325,000
City of San Jose Volunteer Program	4,365	0	0	0
City Outreach and Education Efforts	217,010	270,000	133,000	265,000
Community Report Card	173,000	220,400	220,400	220,400
Competition Monitoring	1,185	6,000	0	0
Customer Service Call Center	1,499,514	1,628,503	1,481,344	1,273,625
Council Chambers Video System	6,234	0	0	0
Council Member Transition Funds	58,574	0	0	30,000
Employee Suggestion Awards	150	45,000	25,000	25,000
Energy Assistance Low Income Fund	0	0	250,000	250,000
Energy Usage	314,603	0	0	0
Executive Recruitment Loans	500,000	0	0	0
Grant Compliance Single Audit	77,560	79,927	79,927	79,927
ICMA Performance Measurement	0	5,000	0	0
Innovation and Technology Improvements	32,500	29,000	29,000	0
Investing in Results Efforts	197,142	327,800	0	250,000
Jail Bookings Fee	2,531,829	2,532,000	2,532,000	2,532,000
Learn & Earn Program	10,000	0	0	0
Management Training	23,456	100,000	100,000	100,000
Mayor's Education Initiatives	27,185	122,000	122,000	122,000
National Urban/Rural Fellow Mentorship	50,000	50,000	50,000	0
Performance Audit of City Auditor's Office	0	8,000	8,000	8,000
Portable Video and Editing Equipment	146,012	0	0	0
San Jose State University Foundation	20,902	0	0	0
Silicon Valley Football Classic	219,500	0	0	0
Sobering Station	317,486	0	0	0

City-Wide Expenses

Budget Program: Strategic Support

City Service Area: Strategic Support

Detail of Costs Description (Cont'd.)

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4
Strategic Support				
Strategic Support - Others (Cont'd.)				
Sports Authority	635,451	657,692	657,692	657,692
San Jose Sports Hall of Fame Plaques	30,000	30,000	30,000	30,000
State of the City Convocation	65,000	70,000	70,000	70,000
United Way	0	0	0	250,000
Volunteer Recognition Program	5,486	10,000	10,000	10,000
Wildlife Center of Silicon Valley Relocation	100,000	0	0	0
Workers' Compensation Claims	11,717,099	12,500,000	14,000,000	14,000,000
Subtotal	19,754,488	19,963,123	21,091,751	21,741,482
 TOTAL	 \$ 39,321,607	 \$ 40,672,370	 \$ 36,165,463	 \$ 39,195,844

General Fund Capital, Transfers, Reserves

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T*o provide necessary funding for: (1) capital projects not funded by a dedicated funding source, (2) transfers to other funds, (3) a reserve for unforeseen contingencies, and (4) reserves earmarked for known future needs*

General Fund Capital, Transfers, Reserves

Budget Summary

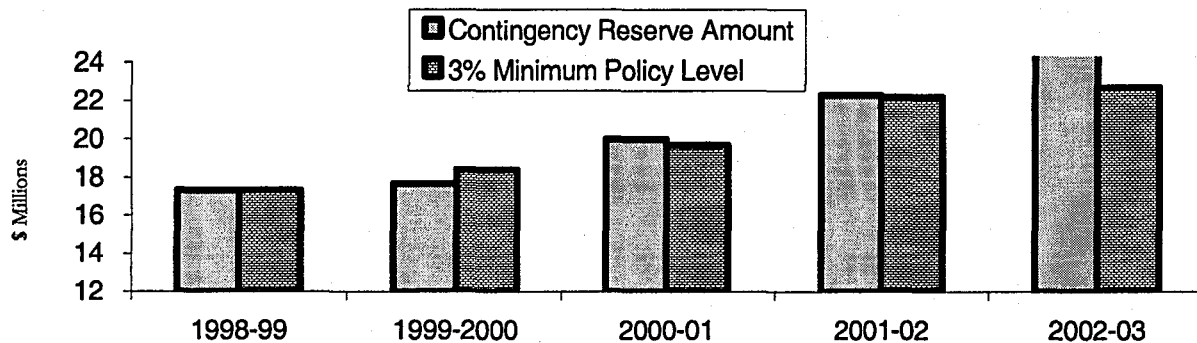
	2001-2002 Adopted	2002-2003 Adopted	% Change
Authorized Positions	-	-	N/A
Budget (All Funds)	\$ 141,429,544	\$ 128,798,536	(8.9%)

Budget Highlights 2002-2003

- ☐ The Capital Contributions allocation reflects several new projects for 2002-2003, including funding for Towers Lane Street Improvements (\$1,197,000), Almaden Winery Conversion (\$1,246,000) and a Computer Portable at Southside Community and Senior Center (\$710,047).
- ☐ As directed by Council, established in the Earmarked Reserves category is a Security Reserve (\$500,000). In addition, several reserves (\$53.7 million) from 2001-2002 have been rebudgeted.
- ☐ Per Council policy, the Contingency Reserve has been increased to remain at or above 3% of the annual budgeted expenditures in the General Fund.

Budget
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General Fund Contingency Reserve Status



General Fund Capital, Transfers, Reserves

Overview

This section of the budget displays the portion of the City's Capital Improvement Program funded in the General Fund; transfers to other City funds for such items as debt service, operating subsidies, and vehicle replacement; and the two types of General Fund reserves. The reserve types are: Earmarked Reserves which set aside funding for known future needs, such as salary and benefit increases or new program initiatives to be implemented at a later date, and the Contingency Reserve, which preserves funding for unanticipated expenditures which may arise during the fiscal year or to offset revenue shortfalls. Under City Council budget policy, the General Fund Contingency Reserve should be maintained at least at 3% of the annual budgeted expenditures.

For 2002-2003, an overall decrease of \$12.6 million, or 8.9%, from the 2001-2002 Adopted Budget level is approved in this category of expenditures. The 2002-2003 Adopted Budget is comprised of the following elements:

Capital Contributions - The major portion of the changes from 2001-2002 reflects the deletion of approximately \$13.2 million in costs budgeted for one-time projects in 2001-2002, offset by the addition of \$6.6 million in new projects and the rebudget of \$24.2 million in prior year projects which were not completed in 2001-2002. New projects of note included in 2002-2003 are additional funding for the Almaden Winery Center Conversion (\$1.2 million), Towers Lane Street Improvements (\$1,197,000), Computer Portable at Southside Community and Senior Center (\$710,047), and Tamien Station Skateboard Park Development (\$630,000). In addition, one capital project (a portion of the Traffic Signal Program - \$150,000) that was previously funded by the General Fund will be funded by the Building and Structure

Construction Tax Fund beginning in 2002-2003. Remaining capital projects funded from the General Fund are listed in a summary at the end of this section and are more fully described in the 2002-2003 Adopted Capital Budget document.

Transfers to Other Funds - The 2002-2003 Adopted Budget includes the elimination for three years of the amount annually transferred to the Vehicle Maintenance and Operations Fund for general fleet vehicle replacement (\$2.5 million). A recent study of the size of the fleet and its uses by the City Auditor has suggested that the City may be able to downsize its fleet. The development of vehicle utilization criteria now underway will assist in determining the appropriate deployment of the general fleet. Pending the resolution of this issue, it has been determined that there are sufficient funds in the Vehicle Maintenance and Operations Fund fund balance to replace general fleet vehicles for at least the three years approved. The Convention and Cultural Affairs Fund subsidy transfer in the General Fund Forecast Base Budget was increased by \$300,000 from the 2001-2002 adopted level to \$2.97 million, as directed in the 2001-2002 Adopted Budget. However, due to the projected shortfall in the General Fund for 2002-2003, it was approved that this transfer be restored to the 2001-2002 level and reduced by another \$72,000. The transfers for debt service on the Communications Center and Camden Lifetime Center have been adjusted slightly to required 2002-2003 levels. The transfer for Accelerated Street Improvements has been reduced to \$229,000 (from \$1.13 million in 2001-2002) to reflect the actual payment amount due in 2002-2003.

Earmarked Reserves - The increase of \$4.0 million (7%) from the 2001-2002 Adopted

General Fund Capital, Transfers, Reserves

Overview (Cont'd.)

Earmarked Reserves (Cont'd.)

time reserves and the addition of two new reserves as described below.

Included in the Earmarked Reserves is a Security Improvements Reserve (\$.5 million). Additional funding of \$900,000 has been also provided to augment the existing Future Capital Projects/SNI Reserve. The \$900,000 is necessary for furnishings for the Blossom Hill Branch Library due to come on line during the coming year.

The Salary and Benefit Reserve is decreased by \$11.1 million from the Adopted 2001-2002 level to reflect the reduction in the Forecast Base Budget of \$18.17 million, offset by the rebudget of \$7.1 million. It reflects anticipated funding needed for 2002-2003 for scheduled negotiations with employee bargaining units and for potential benefit rate changes.

Contingency Reserve - The 2002-2003 Contingency Reserve level of \$24.5 million represents 3.2% of anticipated General Fund budgeted expenditures.

Budget Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Dollars by Program					
Capital Contributions	\$ 16,443,092	\$ 52,549,860	\$ 6,426,000	\$ 37,121,304	(29.4%)
Transfers to Other Funds	9,977,364	9,491,773	8,879,461	6,007,294	(36.7%)
Earmarked Reserves	0	57,131,886	10,528,000	61,120,763	7.0%
Contingency Reserve	0	22,256,025	22,758,000	24,549,175	10.3%
Total	\$ 26,420,456	\$ 141,429,544	\$ 48,591,461	\$ 128,798,536	(8.9%)
Dollars by Category					
Capital, Transfers, Reserves	\$ 26,420,456	\$ 141,429,544	\$ 48,591,461	\$ 128,798,536	(8.9%)
Total	\$ 26,420,456	\$ 141,429,544	\$ 48,591,461	\$ 128,798,536	(8.9%)
Dollars by Fund					
General Fund	\$ 26,420,456	\$ 141,429,544	\$ 48,591,461	\$ 128,798,536	(8.9%)
Total	\$ 26,420,456	\$ 141,429,544	\$ 48,591,461	\$ 128,798,536	(8.9%)
Authorized Positions	-	-	-	-	N/A

General Fund Capital, Transfers, Reserves

Budget Reconciliation

(2001-2002 Adopted to 2002-2003 Adopted)

	Positions	General Fund (\$)
Prior Year Budget (2001-2002):	0.00	141,429,544
<hr/> Base Adjustments <hr/>		
One-Time Prior Year Expenditures Deleted		
● Rebudget: Capital Projects		(33,649,000)
Salary and Benefit Reserve		(1,634,505)
Enhanced Parks Maintenance Reserve		(777,759)
Burrowing Owl Reserve		(327,520)
Joint Library Project- Technology Reserve		(455,000)
Future Capital Projects Reserve		(1,710,718)
CAD System Replacement Reserve		(1,000,000)
Fee-Supported: Building, Fire, Planning and Public Works Reserves		(4,162,120)
Tobacco Reserve		(303,208)
Worker's Comp/Gen. Liability Catastrophic Reserve		(15,000,000)
Contingency Reserve		(458,025)
● 2001-2002 One-time Capital Projects		(13,186,860)
● Transfer to Gift Trust Fund		(10,000)
● Open Space Reserve		(1,000,000)
● e-Government Applications Reserve		(2,000,000)
● Fire Courier Services Reserve		(115,000)
● Geographic Information System Improvements Reserve		(600,000)
● Human Resources Systems Improvements Reserve		(310,000)
● Contingency Reserve Adjustment		(600,000)
● Unallocated Fund Balance		(5,850,649)
One-time Prior Year Expenditures Subtotal:	0.00	(83,150,364)
<hr/> Technical Adjustments to Costs of Ongoing Activities		
● Multi-Year Capital Project Adjustments		156,000
● Inclusion of Open Space Acquisition from recent Metcalf Energy Center Settlement		500,000
● Congestion Management Program Dues Increase		56,000
● Debt Service Schedule Adjustments		(31,137)
● Final Year Debt Service Payment for Prop 111 St Imp.		(901,175)
● IWM Lifeline Adjustment		30,000
● Convention and Cultural Affairs Fund Transfer		300,000
● Salary and Benefit Reserve Adjustment		(16,538,407)
● Annualization of Ongoing Reserve Requirements:		
- Human Resources Systems Improvements Reserve		334,000
- e-Government Applications Reserve		210,000
- Geographic Information System Improvements Reserve		121,000
- Fire Courier Services Reserve		107,000
● Establishment of Street Maintenance Activities Reserve		164,000
● Establishment of New Parks & Recreation Maintenance Reserve		768,000
● Equipment Reserve Re-establishment		200,000
● Establishment of Safe Campus Phase III Reserve		550,000
● Establishment of Communications Equipment Reserve		400,000

General Fund Capital, Transfers, Reserves

Budget Reconciliation (Cont'd.)

(2001-2002 Adopted to 2002-2003 Adopted)

	Positions	General Fund (\$)
<hr/> Base Adjustments (Cont'd.) <hr/>		
Technical Adjustments to Costs of Ongoing Activities (Cont'd.)		
● Establishment of Joint Library Reserve		293,000
● Establishment of Towers Lane Improvements Reserve		1,197,000
● Establishment of West Valley Branch Library Replacement Reserve		337,000
● Re-establishment of Computer Reserve		500,000
● Contingency Reserve Estimate Adjustment		1,560,000
Technical Adjustments to Costs of Ongoing Subtotal:	0.00	(9,687,719)
2002-2003 Forecast Base Budget:	0.00	48,591,461
<hr/> Investment/Budget Proposals Approved <hr/>		
Capital Contributions		
- Capital: Reallocation of Traffic Signals Projects		(150,000)
- Capital: New 2002-2003 Projects		5,440,304
- Capital: Towers Lane Street Improvements		1,197,000
- Capital: Rebudget of 2001-2002 Projects		24,208,000
Capital Contributions Subtotal:	0.00	30,695,304
Transfers to Other Funds		
- Transfers: Vehicle Maintenance and Operations Fund Transfer Elimination		(2,500,000)
- Transfers: Convention and Cultural Affairs Fund Transfer Reduction		(372,167)
Transfers to Other Funds Subtotal:	0.00	(2,872,167)
Earmarked Reserves		
- Earmarked Res: Elimination of Various Reserves		(4,500,000)
- Earmarked Res: Future Capital Projects/SNI Reserve - (Blossom Hill Library Furniture, Fixtures & Equipment)		900,000
- Earmarked Reserves: Security Improvements		500,000
- Earmarked Reserves: Rebudgets		53,692,763
- Contingency Reserve: Rebudget		1,791,175
Earmarked Reserves Subtotal:	0.00	52,383,938
Total Investment/Budget Proposals Approved	0.00	80,207,075
2002-2003 Adopted Budget Total	0.00	128,798,536

General Fund Capital, Transfers, Reserves

Budget Category: Capital, Transfers, Reserves

City Service Area: Multiple

Budget Changes

Adopted Budget Changes	Positions	General Fund (\$)
1. Capital: Reallocation of Traffic Signal Projects		(150,000)
This action eliminates General Fund support for Traffic Signal projects (\$150,000). In 2002-2003, the Traffic Signal project will be funded instead in the capital budget by the Building and Structure Construction Tax Fund. (Ongoing savings: \$150,000)		
2. Capital: New 2002-2003 Projects		5,440,304
This action provides funding for a number of new projects including additional funding for the Almaden Winery Center Conversion (\$1,246,000), Computer Portable at Southside Community and Senior Center (\$710,047), Tamien Station Skateboard Park Development (\$630,000), and other improvement projects at neighborhood parks and roads. Details of all projects are shown in the 2002-2003 Capital Budget document. (Ongoing cost: \$0)		
3. Capital: Towers Lane Street Improvements		1,197,000
As directed in the June 2001 Mayor's Message and approved by the City Council, this action provides funding for miscellaneous street improvements to Towers Lane from Aborn Road. In the 2001-2002 budget, funding was provided to begin improvements to Towers Lane, a section of unpaved road that was annexed to San Jose in the 1950's. These funds will be used to make the neighborhood safer for pedestrian and car traffic. (Ongoing cost: \$0)		
4. Capital: Rebudget of 2001-2002 Projects		24,208,000
This addition represents the rebudgeting of funding for completion of capital projects authorized in 2001-2002. Major projects include Acceleration of City of Morgan Hill Open Space Agreement (\$3,500,000), Park Bond Site Acquisition (\$2,000,000), Northside Community Center (\$1,300,000), Almaden Winery Center Conversion (\$1,015,000), Historical Homes Renovation (\$1,000,000), Street Reconstruction (\$1,000,000), Andrew Hill High School Athletic Field Improvements (\$875,000), and Animal Shelter Facility (\$800,000). Details of all rebudgeted projects are shown in the 2002-2003 Capital Budget document. (Ongoing cost: \$0)		
5. Transfers: Vehicle Maintenance and Operations Fund Transfer Elimination		(2,500,000)
This change reflects the elimination of the transfer for three years to the Vehicle Maintenance and Operations Fund for general fleet replacement. As a result of a recent review of the general fleet and size of the Vehicle Maintenance and Operations Fund's fund balance, it has been determined that the annual transfer from the General Fund can be eliminated for several years. Currently, General Services Department staff is developing vehicle utilization criteria. It is anticipated that this criteria will result in a reduction to the size of the fleet. For 2002-2003 through 2005-2006, the Fund's ending fund balance can be used to replace necessary vehicles. (Ongoing savings: \$2,500,000)		

General Fund Capital, Transfers, Reserves

Budget Category: Capital, Transfers, Reserves

City Service Area: Multiple

Budget Changes (Cont'd.)

Adopted Budget Changes	Positions	General Fund (\$)
6. Transfers – Convention and Cultural Affairs Fund Transfer Reduction		(372,167)
<p>This change reflects the reduction to the transfer to the Convention and Cultural Affairs Fund from \$2,968,700 to \$2,596,533. This reduction is possible because of the size of the fund balance available in the Cultural Affairs Fund and the approved elimination of an Arts Program Coordinator position. (Ongoing savings: \$372,167)</p>		
7. Earmarked Reserves - Elimination of Various Reserves		(4,500,000)
<p>This action liquidates reserves for Joint Library (\$293,000), West Valley Branch Expansion (\$337,000), New Parks and Recreation Facilities (\$768,000), Towers Lane Street Improvements (\$1,197,000), Safe Campus Expansion (\$550,000), Communications Equipment Replacement and Upgrades (\$400,000), Fire Courier Services (\$107,000), Fire Training (\$150,000), Human Resources Systems Improvements (\$334,000), Street Maintenance Activities (\$164,000) and Equipment (\$200,000) carried in the 2002-2003 Forecast Base Budget. Elsewhere in this document, ongoing funding is allocated for these activities in Parks, Recreation and Neighborhood Services, Library, and Transportation Departments. In addition, portions of the increased responsibilities will be absorbed by existing staff and the savings are approved to be reallocated elsewhere. (Ongoing savings: \$2,535,000)</p>		
8. Earmarked Reserves – Future Capital Projects/SNI Reserve (Blossom Hill Library Furniture, Fixtures & Equipment)		900,000
<p>This action increases the existing Future Capital Projects/SNI Reserve by \$900,000, the amount estimated to be necessary for the Blossom Hill Branch Library's Furniture, Fixtures and Equipment (FF&E). Currently, there are no funds provided in the bond funded projects for FF&E as bond proceeds cannot be used to purchase the required furnishings. (Ongoing cost: \$0)</p>		
9. Earmarked Reserves – Security Improvements		500,000
<p>As directed in the Mayor's March Budget Message, this action establishes one-time funding in the amount of \$500,000 to be used for security improvements during the upcoming fiscal year. This funding will be used to increase the safety of residents, employees, and visitors who do business in San Jose at all City facilities. (Ongoing cost: \$0)</p>		

General Fund Capital, Transfers, Reserves

Budget Category: Capital, Transfers, Reserves

City Service Area: Multiple

Budget Changes (Cont'd.)

Adopted Budget Changes	Positions	General Fund (\$)
10. Earmarked Reserves - Rebudgets		53,692,763
The rebudget of unexpended 2001-2002 funding from various Earmarked Reserves listed below. (Ongoing cost: \$0)		
Burrowing Owl Habitat		338,520
CAD System Replacement		1,000,000
e-Government Applications Reserve		1,903,000
Economic Uncertainty		15,810,000
Enhanced Parks Maintenance		1,402,000
Fee Support Reserve - Building		1,444,988
Fee Support Reserve - Fire		912,621
Fee Support Reserve - Planning		200,422
Fire Training		163,000
Future Allocation		204,769
Future Capital Projects/SNI		7,710,718
Geographic Information Systems		484,725
Salary and Benefit		7,118,000
Workers' Compensation and General Liability Claims		15,000,000
11. Contingency Reserve - Rebudget		1,791,175
This action rebudgets unused 2001-2002 funding included in the Contingency Reserve. (Ongoing cost: \$0)		
2002-2003 Adopted Budget Changes Total	0.00	80,207,075

General Fund Capital, Transfers, Reserves

Detail of Category Costs Description

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4
CAPITAL CONTRIBUTIONS				
Fire (Public Safety)				
Engine 31/Rescue Units	\$ -	\$ 685,000	\$ -	\$ -
Fire Apparatus Tools and Equipment	48,931	-	-	375,000
Fire Apparatus Bond Payments	752,200	831,000	829,000	829,000
Fire Apparatus Lease Payments	437,495	445,000	414,000	414,000
Fire Apparatus Replacement & Repair	632	1,352,000	941,000	941,000
Fire One-Time Capital Improvements	165,443	88,000	-	-
Fire Training Apparatus	-	2,725,000	-	-
Fire Station 1 Rehabilitation	73,327	-	-	-
Fire Station 9 Improvements	58,009	-	-	-
Fire Station 30	43,797	-	-	-
Fire Station 30 Rehabilitation Construction	980,994	-	-	-
Fire Station Air Conditioning	24,957	1,280,000	-	-
Reserve Apparatus Tools & Equipment	-	190,500	-	-
Total Fire	\$ 2,585,785	\$ 7,596,500	\$ 2,184,000	\$ 2,559,000
Library (Recreation and Cultural Services)				
Branch Library Fee Master Plan	\$ 47,866	\$ -	\$ -	\$ -
Branch Library Signage	39,524	-	-	-
Joint Library Automation Projects	-	-	-	455,000
Joint Library Planning	-	-	-	41,000
Library Book Acquisition	378,999	-	-	-
Public Works/Joint Library	9,469	-	-	-
West Valley Branch-LEED Certification	-	-	-	95,000
West Valley Branch-Mayor's Message	-	491,000	-	-
West Valley Branch Replacement	144,984	3,504,000	-	264,000
Total Library	\$ 620,842	\$ 3,995,000	\$ -	\$ 855,000
Municipal Improvements (City Facilities & Equipment)				
Animal Shelter Facility	\$ 834,035	\$ 9,400,000	\$ -	\$ 800,000
Alviso Education Center	-	700,000	-	-
Alviso Ring Levee	111,753	110,000	-	66,000
Arena Repairs	-	100,000	100,000	211,000
Arena Rigging Fall Protection System	-	-	-	110,000
Building Modifications	79,712	-	-	-
Capital Tuers Golf Course	-	1,503,000	-	47,000
Capital Tuers Golf Course Enhancements	-	530,000	-	485,000
City Hall Annex Roof Replacement/Repairs	102,736	-	-	-
City Hall Emergency Power	(34)	-	-	-
City Hall Improvements	29,270	307,000	-	-
City Hall Signage Program	42,338	35,000	-	-
Civic Center Relocation Costs	72,229	32,000	-	32,000
Communications Building Roof Replacement	13,646	-	-	-
Compaq Arena Water Pressure Repairs	-	-	-	241,000
Convention Center ADA	37,802	193,400	-	-

General Fund Capital, Transfers, Reserves

Detail of Category Costs Description (Cont'd.)

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4
CAPITAL CONTRIBUTIONS (CONT'D.)				
Municipal Improvements (City Facilities & Equipment) (Cont'd.)				
Fuel Tanks Monitoring	\$ 85,821	\$ 50,000	\$ 50,000	\$ 50,000
Historic Homes Renovation	-	1,000,000	-	1,000,000
Historical Museum Improvements	4,005	65,000	-	31,000
Historical Museum Light Tower	39,608	60,000	-	56,000
Historical Museum Short Term Capital Needs	95,844	149,900	-	-
Ice Centre Corrective Work	-	678,000	-	-
Ice Centre Expansion	131,441	300,000	-	101,000
Ice Centre Public Art	124,459	7,500	-	-
Methane Monitoring/Control	270,037	200,000	200,000	200,000
Miscellaneous Building Repairs	-	-	-	634,000
Municipal Infrastructure Improvements	25,000	-	-	100,000
Municipal Infrastructure Improvements - CAE	29,636	41,000	-	-
Municipal Infrastructure Improvements - Citywide	78,650	500,000	-	-
Municipal Stadium Improvements	-	30,000	-	40,000
460 Park Avenue Building Demolition	3,828	-	-	96,000
Police Athletic League Modular Building	36,992	-	-	-
Police Firing Range	3,953	-	-	-
River Street Historic District	63,998	25,000	-	25,000
Santa Teresa & Carlisle Building Demolition	15,151	-	-	-
Unanticipated/Emergency Maintenance	302,475	341,000	200,000	296,000
Wildlife Center Relocation	279,394	391,000	-	-
Total Municipal Improvements	\$ 2,913,779	\$ 16,748,800	\$ 550,000	\$ 4,621,000
Parks and Community Facilities Development (Recreation & Cultural Services)				
Acceleration of Park Bond Site Acquisitions	\$ -	\$ -	\$ -	\$ 2,000,000
Almaden Valley Parks	96,503	306,000	-	-
Almaden Winery Center Conversion	-	1,033,000	-	2,261,000
Almaden Winery Historic Preservation	9,370	15,000	-	14,000
Almaden Winery Park Enhancements	425	185,000	-	134,000
Alum Rock Access Study	14,605	-	-	-
Alum Rock Road Closure	40,641	-	-	-
Alviso Youth Center	-	97,860	-	98,000
Andrew Hill HS Athletic Field Improvements	-	-	-	875,000
Asphalt Resurfacing	13,910	24,000	-	-
Bird and Fisk Park	-	-	-	285,000
Boggini Park Little League Field Upgrades	-	-	-	164,484
Boggini Park Tot Lot	-	-	-	153,000
BrookTree Park Hybrid Playground	-	64,000	-	-
Buena Vista Park	206,860	132,500	-	75,000
Cahill Park Improvements	-	200,000	-	200,000
Camden Center Parking	17,000	-	-	-
Camden Lifetime Activities Center	29,704	20,000	-	9,000
Carrabelle Park Play Area Improvements	-	-	-	275,000
City of Morgan Hill Open Space Acquisition	-	-	-	3,500,000

General Fund Capital, Transfers, Reserves

Detail of Category Costs Description (Cont'd.)

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4
CAPITAL CONTRIBUTIONS (CONT'D.)				
Parks and Community Facilities Development (Recreation & Cultural Services) (Cont'd.)				
Community Center at Former Fire Station 27	\$ -	\$ -	\$ -	\$ 376,068
Community Garden at Latimer Elementary School	-	150,000	-	130,000
Community Park at Floyd and Locust	-	400,000	-	288,000
Computer Portable at Southside Community Ctr	-	-	-	710,047
Demolition (6th and Williams Park)	-	-	-	30,000
Doerr Park Restroom Renovations	27,031	179,000	-	-
Fernish Park Exercise Station	24,322	-	-	-
Fernish Park Pathway	-	80,000	-	-
Gregory Tot Lot Improvements	-	15,000	-	15,000
Groesbeck Hill Basketball Court Completion	-	40,000	-	30,000
Groesbeck Hill Tennis Court Addition	-	80,000	-	73,000
Groesbeck Hill Park Security Lighting	-	80,000	-	78,000
Groesbeck Hill Park Perimeter Landscaping	-	132,000	-	68,000
Guadalupe Creek Trail	-	150,000	-	-
Guadalupe River Trail Improvements	-	265,000	-	250,000
Hoffman/Via Monte Neighborhood Center	-	-	-	350,000
Houge Park Tot/Youth Lot Renovation	28,264	194,000	-	15,000
Kirk Center HVAC	238,669	10,200	-	-
Kirk Center Upgrades	-	18,000	-	18,000
Kirk Center Landscaping and Outdoor Fixtures	-	-	-	215,690
Lone Hill Park Tot/Youth Lot & Restroom Renov	87,752	303,000	-	30,000
Los Gatos Creek Trail/Lonus Extension	106,962	-	-	-
Lower Silver Creek Pedestrian/Bicycle Bridge	-	215,000	-	215,000
Minor Building Improvements	-	250,000	-	249,000
Minor Restroom Improvements	-	250,000	-	250,000
Murdock Park Restroom Replacement	182,879	-	-	-
Neighborhood Park Signage Improvements	-	250,000	-	203,000
Northside Community Center	-	1,350,000	-	1,300,000
Open Space Acquisition	-	-	500,000	500,000
P G & E Easment/Wenlock Drive	-	300,000	-	265,000
Park Building Improvements	129,569	-	-	7,000
Park Equipment Replacement	-	100,000	-	100,000
Park Facility Improvements	-	-	-	58,000
Parks and Recreation Bond Projects	25,181	-	-	-
Parking Lot/Pathways Sealing Program	83,712	70,000	-	-
Paul Moore Park Irrigation System Renovation	-	383,000	-	45,000
Penitencia Creek Park Chain	3,000	-	-	-
Picnic Area Renovations	-	-	-	17,000
"Play for All" Playground	29,234	47,000	-	-
Playground Safety Improvements	28,012	16,000	-	-
Portuguese History Museum	50,000	50,000	-	-
Rancho del Pueblo Golf Course	60,741	-	-	-
Regional Park Signage & Interpretive Display Improvement	3,662	-	-	-
"Senior Friendly" Park Elements	-	100,000	-	62,000

General Fund Capital, Transfers, Reserves

Detail of Category Costs Description (Cont'd.)

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4
CAPITAL CONTRIBUTIONS (CONT'D.)				
Parks and Community Facilities Development (Recreation & Cultural Services) (Cont'd.)				
South Central Swim Center	\$ -	\$ 3,395,000	\$ -	\$ 542,000
Southside Community Center	14,935	-	-	-
Southside Com Ctr Playground Equip Replace	-	223,000	-	211,000
Southside Community Center Renovation	84,942	-	-	55,000
Tamien Station Skateboard Park Development	-	-	-	630,000
Third Street Community Center	400,000	-	-	-
Thousand Oaks Park Lighting & Water Supply	-	-	-	32,000
Tuers-Capitol Golf Course	55,042	-	-	-
Turf Renovations	-	100,000	-	45,000
Watson Dog Park	-	-	-	245,000
Youth Fitness Facility at PAL Stadium	-	339,000	-	-
Total Parks & Community Facilities Development	\$ 2,092,927	\$ 11,611,560	\$ 500,000	\$ 17,751,289
Police (Public Safety)				
Police Administration Building Seismic Retrofit	87,142	121,000	-	250,000
Police Administration Building Chiller	-	550,000	-	448,000
Total Police	\$ 87,142	\$ 671,000	\$ -	\$ 698,000
Traffic (Transportation Services)				
Aborn Square Loop Sidewalk Installation	\$ -	\$ 322,000	\$ -	\$ 130,000
Almaden Road Sidewalk Improvements	2,178	5,000	-	48,000
Barberry Lane Sidewalk Installation	-	291,000	-	235,000
Berryessa Road MIL	-	-	-	556,000
Boyton Avenue Sidewalk Installation	-	362,000	-	640,000
Buscher Avenue Curb and Gutter Repairs	-	-	-	30,000
Camden Avenue MIL: Blossom Hill to Kooser	-	179,000	-	151,000
Cedro St/Cas Drive and Buckeye Drive	5,751	165,000	-	-
City-Wide Sidewalk Repairs	4,799,463	3,380,000	2,380,000	2,380,000
Clemance Avenue Infrastructure Improvements	7,304	110,000	-	-
Closing Pedestrian Undercrossings	1,545	-	-	-
Coleman Road MIL & Safety Improvements	53,407	180,000	-	-
Coleman Road MIL: Porto Alegre-Sentinel	-	-	-	42,000
Colleen Drive Repairs	403,823	485,000	-	-
Congestion Management Program	-	606,000	662,000	662,000
Curb and Gutter Repair Program	770,253	-	-	-
Curtner Avenue Infrastructure Improvements	-	40,000	-	-
Enhanced Crosswalk at Westmont High School	-	-	-	90,000
Enhanced Crosswalk at Eden/Lynhaven N'hood	-	-	-	90,000
Galarza Elementary School Street Lighting	-	60,000	-	-
Hensley Historic District	50,679	300,000	-	71,000
Hillsdale Avenue Sidewalk Installation	-	135,000	-	14,000
Holly Hill Avenue Infrastructure Improvements	1,976	165,000	-	162,000
Julian St/McKee St Overpass Pedestrian Safety	23,486	155,000	-	100,000
King & Barberry Traffic Signal	9,861	70,000	-	-

General Fund Capital, Transfers, Reserves

Detail of Category Costs Description (Cont'd.)

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4
CAPITAL CONTRIBUTIONS (CONT'D.)				
Traffic (Transportation Services) (Cont'd.)				
Lean Avenue Median Improvements	\$ -	\$ 120,000	\$ -	\$ -
Lewis Road Street Improvements	63,650	405,000	-	120,000
Lincoln Ave Crosswalk "Uplights"	-	-	-	180,000
Median Island Landscaping	178,000	-	-	-
Meridian Avenue Soundwall	40,442	-	-	-
Narvaez Median	19,380	25,000	-	-
Redmond Ave MIL	-	-	-	350,000
Relandscape White Road (Norwood & Quimby)	18,277	65,000	-	-
Santa Teresa Boulevard: Median Island Landscaping (Cottle to Springer)	-	255,000	-	192,000
Santa Teresa Boulevard: Median Island Landscaping (Lean to Snell)	-	-	-	280,000
Santa Teresa Boulevard: Median Island Landscaping (Snell to Blossom)	-	-	-	233,000
Santa Teresa Boulevard: Median Island Landscaping (Springer to Lean)	-	205,000	-	176,000
Santa Teresa Boulevard Signal	(368)	-	-	-
Santa Teresa/Encinal Traffic Signal	108,805	-	-	-
Seven Trees Neighborhood	-	250,000	-	-
Sidewalk at San Tomas Aquino/Payne	-	-	-	215,000
Spring Street Repairs	83,946	-	-	-
Street Light Installations: 2002-2003	-	-	-	110,102
Street Lighting at Schools	-	372,000	-	132,000
Street Lighting at Schools: 2002-2003	-	-	-	298,213
Street Lights	-	500,000	-	-
Street Lights-Backlog	830,740	-	-	110,000
Street Lights-Mayor's Message	8,853	50,000	-	40,000
Street Lights-Rosemary Garden Neighborhood	111,062	55,000	-	-
Street Lights-Tropicana Neighborhood	97,271	20,000	-	-
Street Reconstruction Projects	-	1,000,000	-	1,000,000
Towers Lane Street Improvements	-	-	-	1,257,000
Traffic Calming	84,982	965,000	-	-
Traffic Signal at Senter Rd & Wool Creek Drive	-	-	-	275,000
Traffic Signals	169,524	150,000	150,000	-
Traffic Signals-LED Lighting	(10,735)	-	-	-
Transportation Demand Management	68,081	140,000	-	-
Tree Trimming and Replacement	23,083	-	-	-
West Hedding & Elm Street Landscaping Project	-	-	-	152,700
White Road Engineering Acceleration	-	100,000	-	-
White Road MIL	46,880	90,000	-	-
White Road MIL: Marten to Tully	-	-	-	35,000
Williams Road Sidewalk Installation	71,018	140,000	-	80,000
Willow Glen Pedestrian Street Lighting	-	10,000	-	-
Total Traffic	\$ 8,142,617	\$ 11,927,000	\$ 3,192,000	\$ 10,637,015
TOTAL CAPITAL CONTRIBUTIONS	\$16,443,092	\$ 52,549,860	\$ 6,426,000	\$ 37,121,304

General Fund Capital, Transfers, Reserves

Detail of Category Costs Description (Cont'd.)

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4
TRANSFERS				
Airport Revenue Fund	\$ 206,618	\$ -	\$ -	\$ -
Camden Center Debt Service	262,070	214,255	213,263	213,263
Communications Center Debt Service	1,807,595	2,406,325	2,376,180	2,376,180
Convention & Cultural Affairs Fund Transfer	2,368,666	2,668,700	2,968,700	2,596,533
Development Enhancement	235,000	-	-	-
Fund 133	6,250	-	-	-
General Purpose Parking Fund	25,177	-	-	-
Gift Trust Fund	10,000	10,000	-	-
IWM Lifeline Subsidy	371,447	420,000	450,000	450,000
LLEB Grant Fund	125,434	-	-	-
Maintenance Assessment District #2B	2,784	2,784	2,784	2,784
Maintenance Assessment District #4	-	10,400	10,400	10,400
Maintenance Assessment District #6	7,162	7,162	7,162	7,162
Maintenance Assessment District #8	2,720	2,720	2,720	2,720
Maintenance Assessment District #9	-	27,144	27,144	27,144
Maintenance Assessment District #11	-	7,346	7,346	7,346
Maintenance Assessment District #12	8,790	24,810	24,810	24,810
Maintenance Assessment District #14	26,720	40,720	40,720	40,720
Maintenance Assessment District #15	19,232	19,232	19,232	19,232
Proposition 111 Street Improvement Debt Service	1,128,240	1,130,175	229,000	229,000
Repair and Demolition Fund	27,000	-	-	-
San Jose/Santa Clara Treatment Plant Capital Fd	780,804	-	-	-
Sidewalk Repair Fund	199,450	-	-	-
Special Services Assessment Revolving Fund	67,500	-	-	-
Vehicle Maintenance/Replacement	2,288,705	2,500,000	2,500,000	-
TOTAL TRANSFERS	\$ 9,977,364	\$ 9,491,773	\$ 8,879,461	\$ 6,007,294

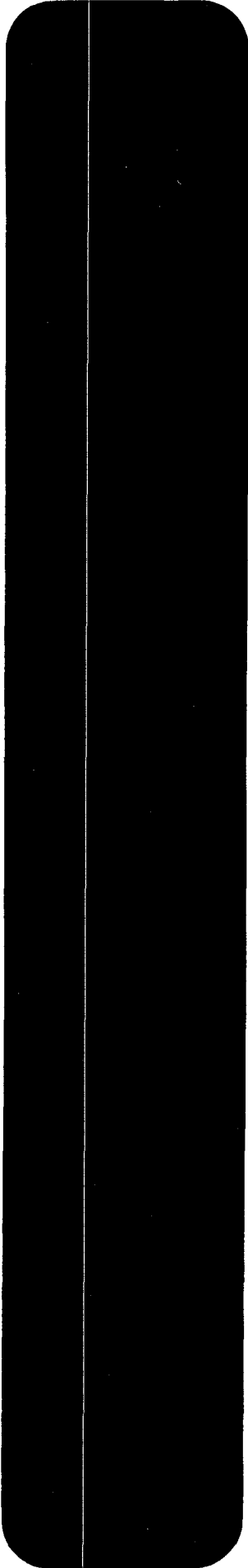
EARMARKED RESERVES

Burrowing Owl	\$ -	\$ 327,520	\$ -	\$ 338,520
Communications Equipment	-	-	400,000	-
Computer-Aided Dispatch System Replacement	-	1,000,000	-	1,000,000
Computer Reserve	-	-	500,000	500,000
e-Government Applications	-	2,000,000	210,000	2,113,000
Enhanced Parks Maintenance	-	-	-	1,402,000
Economic Uncertainty	-	-	-	15,810,000
Equipment	-	-	200,000	-
Fee Supported - Building	-	2,213,141	-	1,444,988
Fee Supported - Fire	-	948,386	-	912,621
Fee Supported - Planning	-	788,790	-	200,422
Fee Supported - Public Works	-	211,803	-	-
Fire Courier Service	-	115,000	107,000	-
Fire Training	-	150,000	150,000	163,000
Future Capital Projects/SNI Reserve	-	1,710,718	-	8,610,718
Geographic Information Systems	-	600,000	121,000	605,725
Human Resources Systems Improvements	-	310,000	334,000	-
Joint Library	-	-	293,000	-

General Fund Capital, Transfers, Reserves

Detail of Category Costs Description (Cont'd.)

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4
EARMARKED RESERVES (CONT'D.)				
Joint Library - Technology	\$ -	\$ 455,000	\$ -	\$ -
New Parks & Recreation Maintenance	-	777,759	768,000	-
Reserve for Open Space	-	1,000,000	-	-
Reserve for 2002-2003 (Deficit)	-	5,650,000	-	-
Safe Campus Phase III	-	-	550,000	-
Salary & Benefit	-	23,369,912	5,197,000	12,315,000
Security Improvements	-	-	-	500,000
Street Maintenance Activities	-	-	164,000	-
Towers Lane Improvements	-	-	1,197,000	-
Tobacco Program	-	303,208	-	-
Unallocated Fund Balance	-	200,649	-	204,769
West Valley Branch Library Replacement	-	-	337,000	-
Workers' Compensation	-	15,000,000	-	15,000,000
TOTAL EARMARKED RESERVES	\$ -	\$ 57,131,886	\$10,528,000	\$ 61,120,763
CONTINGENCY RESERVE				
Contingency Reserve	\$ -	\$ 22,256,025	\$ 22,758,000	\$ 24,549,175
TOTAL CONTINGENCY RESERVE	\$ -	\$ 22,256,025	\$22,758,000	\$ 24,549,175
TOTAL CAPITAL CONTRIBUTIONS, TRANSFERS & RESERVES	\$26,420,456	\$141,429,544	\$48,591,461	\$ 128,798,536



2002-2003

OPERATING BUDGET

**INTER-
DEPARTMENTAL
PROGRAMS**

Community Development Block Grant Fund

M I S S I O N

T*o provide funding for local community projects and services which further the objectives of the Federal Community Development Block Grant (CDBG) program. The national objectives of the program are to provide assistance to persons of low and moderate income, prevent or eliminate slums and blight, or meet other community needs of an emergency nature.*

Beginning in fiscal year 1984-1985, the City Council determined that the CDBG funds would be allocated under two program categories: Contractual Community Services and Community Development Improvements. The Contractual Community Services (CCS) category (15% of the grant) provides funding for non-profit community-based organizations that perform services under contract to the City in the areas of community services/recreation, child care, legal services, senior services, services for persons with disabilities, youth services, and homeless/emergency assistance/employment. The Community Development Improvement (CDI) category (85% of the grant) provides funding for capital projects, housing improvements, neighborhood revitalization, planning studies, fair housing, code enforcement, economic development, and grant administration.

Community Development Block Grant

Budget Summary

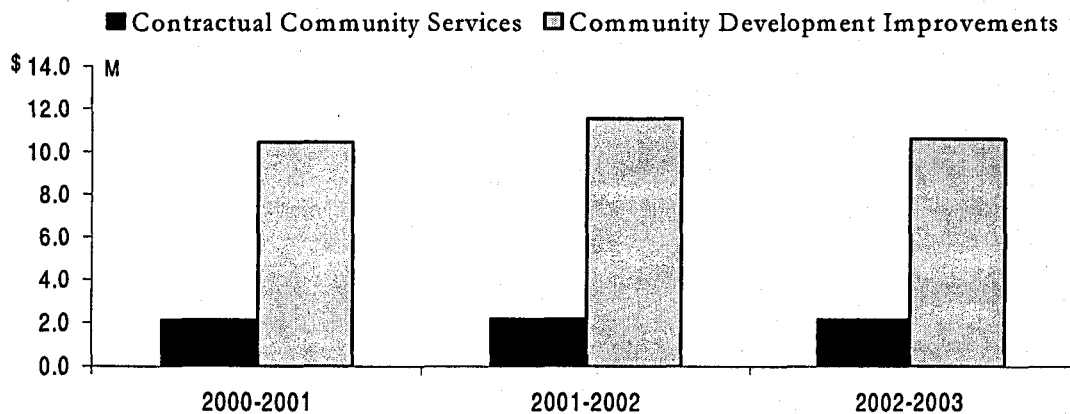
	2001-2002 Adopted	2002-2003 Adopted	Change
Contractual Community Services	\$ 2,174,000	\$ 2,138,000	(1.7%)
Community Development Improvements	\$ 16,743,655	\$ 13,277,001	(20.7%)

Budget Highlights 2002-2003

- ☐ Rehabilitation of a licensed residential care facility to serve low-income people with mental illness at South Eleventh Street.
- ☐ Housing Rehabilitation Program that provides low interest loans to low-income customers.
- ☐ Street improvements along Elizabeth Street between Hope Street and Gold Street.
- ☐ Housing and Energy Services Program to remove architectural barriers in homes of elderly residents and residents with disabilities.
- ☐ Programs to provide proactive, comprehensive enforcement of various health, safety and housing codes.
- ☐ Reconstruction of Guadalupe-Washington and the 5th/6th Street alleys.

Budget
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CDBG ENTITLEMENT FUNDING



Community Development Block Grant

Fund Overview

The City's CDBG Program budget is based on a total 2002-2003 entitlement grant of \$12,757,000 (a decrease of \$239,000 from the 2001-2002 entitlement); projected program income of \$1.5 million; and approximately \$1.158 million in prior years funds (fund balance). A total of 48 eligible proposals requesting over \$20.0 million for 2002-2003 Community Development Improvement (CDI) funds were submitted to the City. A total of 42 proposals for Contractual Community Services (CCS) projects that received funding priority totaling approximately \$2.0 million were reviewed. Of the total CDBG program funds available for 2002-2003, \$2,138,000 is available for Contractual Community Services, and \$13,277,001 million is available for Community Development Improvements. The spending plan described in the following sections was reviewed and approved by the City Council on April 30, 2002.

Contractual Community Services

The City Council approved a two-year funding plan for the CCS program in 2001-2002. The 2002-2003 fiscal year is the second year of the two-year plan. Funding priority was given to projects in the second year of the plan. Receipt of funding is conditioned on projects adequately meeting the conditions for continued funding. These conditions include meeting agreed upon goals and outcomes as well as other contractual requirements. Forty-one services projects totaling \$2,138,000 are approved for continued funding.

Community Development Improvement

A first three-year funding plan was approved for the CDI category in 2001-2002. The plan was designed to address several recurring issues involving the funding and implementation of CDI projects as they affect

public funds in a timely manner consistent with U.S. Housing and Urban Development (HUD) guidelines.

Objectives of the plan included an improved ability to identify projects likely to be completed within the 18-month time frame set by City Council policy; reduction in the complexity of the application process; and increased time for the implementation, development, and monitoring of funded projects. Fiscal year 2002-2003 is the second year of the three-year funding cycle.

Highlights of the 2002-2003 Adopted Budget for the CDI category include:

- Reconstruction of the Guadalupe-Washington Alley (\$311,000) and the University Neighborhood Revitalization Area (\$320,000) to reduce blight and crime and improve function and appearance;
- Design and construction of street improvements along Elizabeth Street between Hope Street and Gold Street in the Alviso neighborhood (\$867,000);
- Rehabilitation of a licensed residential care facility on South 11th Street to serve low-income people with mental illness (\$403,698);
- Replacement of the Center for Employment Training's 80-year-old plumbing system (\$375,000);
- Continued implementation of a city-wide anti-graffiti program (\$464,110); and
- Installation of streetlights and associated improvements at 12 project sites in the Washington neighborhood to enhance safety and encourage greater pedestrian activity (\$210,000).

Community Development Block Grant

Fund Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Adopted 3	% Change (2 to 3)
Dollars by Sources				
Rebudget Prior Year Funds	\$ 10,508,061	\$ 10,138,032	\$ 6,609,276	(34.8%)
CDBG Entitlement	14,451,387	13,722,000	12,757,000	(7.0%)
Program Income	3,460,728	1,500,000	1,500,000	0.0%
Total	\$ 28,420,176	\$ 25,360,032	\$ 20,866,276	(17.7%)
Dollars by Uses				
Contractual Community Services	\$ 2,104,354	\$ 2,174,000	\$ 2,138,000	(1.7%)
Community Development Improvements	15,227,869	16,743,655	13,277,001	(20.7%)
Fund Balance and Miscellaneous	11,087,953	6,442,377	5,451,275	(15.4%)
Total	\$ 28,420,176	\$ 25,360,032	\$ 20,866,276	(17.7%)

Community Development Block Grant

Budget Category: Contractual Community Services

Budget Category Overview

Contractual Community Services (CCS) funds support non-profit community-based organizations' activities that provide services under contract to the City in the areas of community services/recreation, child care, legal services, senior services, services for persons with disabilities, youth services, and homeless/emergency assistance/employment. Approximately 14% of the City's 2002-2003 entitlement grant and some prior year program income are allocated to fund CCS. The total available for this category is \$2,138,000. Funds may be used for activities defined as public services under CDBG regulations.

In 2001-2002, the City Council approved a two-year funding plan for the CCS program. In this plan, 2002-2003 funding priority was given to 42 public service projects. These projects were evaluated to determine whether they adequately met the conditions for continued funding. The evaluation included an assessment of performance against negotiated goals and outcomes, and a review of the

agency's audit and other contract requirements. With the exception of two projects (Project Match, Inc.'s Senior Housing Match/Homeless Prevention Program as well as Campfire Boys and Girls Teen Leadership Corps Program), all CCS projects that were given funding priority for 2002-2003 are approved for funding. No funding was approved for the Senior Housing Match/Homeless Prevention Program since Project Match, Inc. is unable to continue the program. Because Campfire Boys and Girls could not expand its program, a condition for receipt of an additional \$10,000 in 2002-2003, the Teen Leadership Corps Program was funded at its current level.

In 2002-2003, 41 public services projects are approved for a total of \$2,138,000. Funds made available from the canceled project will be used toward a 3.4% cost of living increase for all public services projects. The 2002-2003 CDBG program for the CCS category is presented in the following summaries.

Budget Category Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Adopted 3	% Change (2 to 3)
Contractual Community Services	\$ 2,104,354	\$ 2,174,000	\$ 2,138,000	(1.7%)
Total	\$ 2,104,354	\$ 2,174,000	\$ 2,138,000	(1.7%)

Community Development Block Grant

Budget Category: Contractual Community Services

Budget Category Summary (Cont'd.)

The following projects are approved for funding in the 2002-2003 Adopted Budget from the Contractual Community Services allocation. (In all cases, the 2002-2003 allocation is the second year continuation of a two-year funding plan approved in 2001-2002.)

Adopted Allocation	2002-2003 Amount
Alzheimer's Activity Center	\$ 31,030
Asian Law Alliance	55,855
Blind and Visually Impaired Services	27,927
Casa MACSA Adult Day Health Care	31,973
Case Management	30,410
Cecil White Center	48,614
Community Inns	24,824
Community Support Recreation	21,721
Comprehensive Services Project	25,859
Continuum of Care	20,687
Deaf Community Advocacy and Referral Agency Health and Community Support Services	29,040
East San Jose Community Law Center	27,927
Ethiopian Community Center	36,103
Family Self-Sufficiency	31,123
H.O.M.E.S.	63,095
Housing Program for Persons with Disabilities	10,343
Julian Street Inn	35,168
Legal Aid Society Housing Project	144,069
Legal Assistance to Elders	91,023
Loaves and Fishes	20,687
MACSA Youth Center Services	149,877
Minority Senior Service Providers Consortium	130,357
Operation Brown Bag	18,618
Project Northside	36,202
Project SHARE	21,793
Residential Care Ombudsman Project	24,824
Runaway and Homeless Youth Shelter	41,374
School Advocate Project	31,030
Senior Adult Day Care	30,496
Services for Battered Women and Children	41,374
Shared Housing Project	82,748
Shelter Next Door	82,748
Special Needs Transportation	47,580
Teen Leadership Corps	32,700
Vietnamese Elderly Services Senior Center	62,061
Vietnamese Youth Gang Prevention Program	21,982
WATCH	34,134
YES Young Women's Empowerment Project	69,036
Youth Employment Services and Placement	44,477
Youth Opportunities Unlimited	152,049
YWCA Child Care Program/Child Care Consortium	175,062
Total CDBG Fund Contractual Community Services	\$ 2,138,000

Community Development Block Grant

Budget Category: Community Development Improvements

Budget Category Overview

Approximately 85% of the City's 2002-2003 entitlement, some prior year program income, and fund balance are allocated to the Community Development Improvements category. This category consists primarily of code enforcement, physical improvements, economic development activities, planning studies, and

related administration performed by or under the direction of City staff. Funding and staffing of these projects are shown in the operating or capital budgets of the applicable departments. In addition, funds may be provided to eligible community groups for physical improvements or economic development activities.

Budget Category Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Adopted 3	% Change (2 to 3)
Community Development Improvements				
Fair Housing	\$ 407,950	\$ 457,274	\$ 472,026	3.2%
Housing Improvement Program	4,274,851	3,255,909	3,065,706	(5.8%)
Economic Development	685,572	956,392	857,293	(10.4%)
Capital Projects	5,801,104	7,109,378	3,959,753	(44.3%)
Planning Studies	326,927	641,239	438,089	(31.7%)
City Programs	3,731,465	4,323,463	4,484,134	3.7%
Subtotal	\$ 15,227,869	\$ 16,743,655	\$ 13,277,001	(20.7%)
Fund Balance and Miscellaneous	\$ 11,087,953	\$ 6,442,377	\$ 5,451,275	(15.4%)
Total	\$ 26,315,822	\$ 23,186,032	\$ 18,728,276	(19.2%)

Community Development Block Grant

Budget Category: Community Development Improvements

Budget Category Summary (Cont'd.)

The following projects are approved for funding in the 2002-2003 Adopted Budget from the Community Development Improvements allocation:

Adopted Allocation	Rebudgeted Prior Years Fund (\$)	2002-2003 Entitlement (\$)	Total Adopted 2002-2003 (\$)
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FAIR HOUSING

Fair Housing Investigation and Enforcement Service (San Jose Fair Housing Consortium)	\$	\$ 322,026	\$ 322,026
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The San Jose Fair Housing Consortium will provide fair housing services with its core of three agencies and nine other collaborators serving divergent populations. Services will include counseling, legal representation, educational literature and information referrals.

Legal Aid Society Fair Housing Counseling (Legal Aid Society of Santa Clara County)		150,000	150,000
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Legal Aid Society will provide fair housing information, legal advice, counseling, conciliation, and legal representation.

Subtotal – Fair Housing:	\$	\$ 472,026	\$ 472,026
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HOUSING IMPROVEMENT PROGRAM

Housing Rehabilitation (Housing Department)	\$	\$ 2,218,860	\$ 2,218,860
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The Housing Department operates a housing rehabilitation program that provides low interest loans to low-income borrowers who wish to improve their homes. Various loan programs are available City-wide. Programs include the following: Housing Preservation Program, Rental Housing Rehabilitation, HELP Grants, Paint Grant Program, and Mobile Home Rehabilitation Loan Program. Housing operations and overhead costs are funded with Low and Moderate Income Housing funds. The entitlement will include \$1,500,000 in projected program income.

Community Development Block Grant

Budget Category: Community Development Improvements

Budget Category Summary (Cont'd.)

Adopted Allocation	Rebudgeted Prior Years Fund (\$)	2002-2003 Entitlement (\$)	Total Adopted 2002-2003 (\$)
Housing and Energy Services Program \$ (Economic and Social Opportunities, Inc.)		\$ 620,000	\$ 620,000
This program is administered by Economic and Social Opportunities, Inc. and will provide services and funds to remove architectural barriers in the homes of elderly and disabled residents and to install energy conserving measures designed to reduce residential energy consumption.			
Corps Community Projects (San Jose Conservation Corps)		226,846	226,846
This project sponsored by the San Jose Conservation Corps will provide neighborhood improvement services in the Project Crackdown and other targeted areas. The project will utilize a six-person crew recruited from gang-involved youth in the neighborhood and led by a site supervisor.			
Subtotal – Housing Improvement:	\$	\$ 3,065,706	\$ 3,065,706

ECONOMIC DEVELOPMENT

Small Business Institute/Business Assistance Center (Silicon Valley Economic Development Corporation)	\$	\$ 270,093	\$ 270,093
This project will provide a comprehensive program of financial and business support services to small businesses located primarily in the CDBG eligible Neighborhood Business Districts, Title IX, and Enterprise Zone areas.			
Entrepreneurship Training Program (Silicon Valley Economic Development Corporation)		74,704	74,704

This project will provide training to approximately 60 new or existing businesses. Throughout the course of the training, entrepreneurs learn skills to enable them to compete in the Valley's changing workplace. Training will build management expertise and improve business' opportunity to succeed.

Community Development Block Grant

Budget Category: Community Development Improvements

Budget Category Summary (Cont'd.)

Adopted Allocation	Rebudgeted Prior Years Fund (\$)	2002-2003 Entitlement (\$)	Total Adopted 2002-2003 (\$)
Revolving Loan Fund Expansion (Office of Economic Development)	\$ 191,946	\$ 75,000	266,946
This project will provide a fund for small business loans, leveraged 3:1, available city-wide.			
Small Business Development Project of the East San Jose Community Law Center (Santa Clara University)		27,000	27,000
This project will serve small businesses and low/moderate income persons seeking jobs. It will assist in the stabilization and development of small businesses by providing them with business and legal advice.			
San Jose Smart Start Family Child Care (Parks, Recreation, & Neighborhood Services Department)		218,550	218,550
This project is a multi-agency effort and will provide small business technical assistance, counseling, and training to former welfare recipients to become licensed family child care providers.			
Subtotal – Economic Development:	\$ 191,946	\$ 665,347	\$ 857,293

CAPITAL PROJECTS

Community Capital Projects – Funding is approved for the following capital projects sponsored by community groups:

Roof Replacement, Emergency and Solar Energy Project for Agency Serving Children with Special Needs (Achieve)	\$	\$ 67,900	\$ 67,900
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This project will install a new flat roof with solar panels that save the agency an average of 46% in energy costs per year and it will ensure the safety of clients during power outages.

710 Vine Street Infrastructure Upgrade (Center for Employment Training)	375,000	375,000
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This project will replace the Center for Employment Training's 80-year-old plumbing.

Community Development Block Grant

Budget Category: Community Development Improvements

Budget Category Summary (Cont'd.)

Adopted Allocation	Rebudgeted Prior Years Fund (\$)	2002-2003 Entitlement (\$)	Total Adopted 2002-2003 (\$)
Zoe – 27th South Eleventh Street (Alliance for Community Care)	\$	\$ 403,698	\$ 403,698
This project will rehabilitate a licensed residential care facility serving low-income people with mental illness to improve health and safety of the disabled residents.			
1310 South Bascom Renovation (Girl Scouts of Santa Clara County)		47,370	47,370
This project will upgrade electrical, heating, plumbing, and flooring at the Girl Scouts of Santa Clara County's 1310 South Bascom Avenue office, bringing the building into code compliance.			
Cultivating Community Power (Resources for Families & Communities in Santa Clara County)		126,630	126,630
This project will upgrade a facility in East San Jose that provides a place for community activities, expanding community services in the Tropicana Area.			
Capacity Build-Out for Children's Dental Initiative Clinic (The Health Trust)		96,555	96,555
Funding will purchase new dental equipment to allow the clinic to serve approximately double the current number of children.			
Subtotal – Community Capital Projects:	\$	\$ 1,117,153	\$ 1,117,153

City Capital Projects – Funding is approved for the following capital projects sponsored by City Departments:

Project Crackdown Streetlights (Public Works Department)	\$	\$ 120,000	\$ 120,000
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This project will modify present streetlight systems to increase the lighting levels in parts of Crackdown areas to reduce criminal activity, increase public safety, and prevent slums and blight.

Community Development Block Grant

Budget Category: Community Development Improvements

Budget Category Summary (Cont'd.)

Adopted Allocation	Rebudgeted Prior Years Fund (\$)	2002-2003 Entitlement (\$)	Total Adopted 2002-2003 (\$)
Guadalupe-Washington Alley Reconstruction (Transportation Department)	\$	\$ 311,000	\$ 311,000
This project will result in improved access and safety. Alley reconstruction is identified as a need in the Washington Neighborhood Revitalization Plan to assist in the safety and appearance of the roadway.			
Elizabeth Street Improvement Project (Phase I) Project II (Transportation Department)		867,000	867,000
This project will construct street improvements along Elizabeth Street, between Hope & Gold Streets in the Alviso neighborhood, including design and construction of asphalt/concrete pavement.			
Fifth/Sixth Street Alley Reconstruction (Transportation Department)		365,000	365,000
This project will redesign and reconstruct the public alley in the University Neighborhood Revitalization Area. The work will include design & construction of asphalt/concrete pavement.			
Street Lighting: Edenvale Area (Phase I) (Transportation Department)		56,000	56,000
This project will install approximately 30 streetlights as part of two phases of a multi-year street lighting effort in the Edenvale area.			
Street Lighting: Reed Street Pedestrian Corridor (Transportation Department)		107,000	107,000
This project will install ornamental streetlights to enhance safety and livability in the neighborhood.			
Street Lighting: Washington Area (Transportation Department)		210,000	210,000
This project will install 45 streetlights, upgrade 40 streetlights, relocate 2 streetlights and associated improvements at 12 project sites in the Washington neighborhood.			

Community Development Block Grant

Budget Category: Community Development Improvements

Budget Category Summary (Cont'd.)

Adopted Allocation	Rebudgeted Prior Years Fund (\$)	2002-2003 Entitlement (\$)	Total Adopted 2002-2003 (\$)
Cypress Senior Center Kitchen Upgrade (Parks, Recreation, & Neighborhood Services Department)	\$	\$ 163,000	\$ 163,000
This project will upgrade the kitchen at the Cypress Senior Center to meet current health standards and provide the ability to cook on-site meals for at least 80 frail elderly each weekday.			
Backesto Park Restroom Renovation (Parks, Recreation, & Neighborhood Services Department)		98,600	98,600
This project will renovate the men's and women's restrooms adjacent to the tennis courts at Backesto Park to meet current health, safety, and accessibility standards.			
O'Connor Park Restroom Building (Parks, Recreation, & Neighborhood Services Department)		250,000	250,000
This project will build a restroom at O'Connor Park, a site currently moving forward in the Parks Capital Improvement Program.			
Selma – Olinder Park (Phase I) (Parks, Recreation, & Neighborhood Services Department)		228,000	228,000
This project will build a softball field in the Selma-Olinder Park.			
Mayfair Streetlights (Public Works Department)	67,000		67,000
The rebudget of unexpended funds will complete the modification of present streetlight systems to increase the lighting levels in parts of the Mayfair Improvement Initiative areas to reduce criminal activity, increase public safety, and prevent blight.			
Subtotal – City Capital Projects:	\$ 67,000	\$ 2,775,600	\$ 2,842,600
Subtotal – Capital Projects:	\$ 67,000	\$ 3,892,753	\$ 3,959,753

Community Development Block Grant

Budget Category: Community Development Improvements

Budget Category Summary (Cont'd.)

Adopted Allocation	Rebudgeted Prior Years Fund (\$)	2002-2003 Entitlement (\$)	Total Adopted 2002-2003 (\$)
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PLANNING STUDIES

Nighborhood Revitalization Program (Planning, Building, & Code Enforcement Department)	\$	\$ 362,408	\$ 362,408
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This project has two parts: Neighborhood Revitalization Plan (NPR) Preparation will prepare several comprehensive community-based revitalization plans in troubled low/moderate income neighborhoods, and NPR Coordination will coordinate, implement and monitor existing & future neighborhood revitalization.

Environmental Review of CDBG Proposals (Planning, Building, & Code Enforcement Department)		75,681	75,681
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This project will continue to provide the National Environmental Policy Act review for all CDBG projects processed or administered by the City of San Jose.

Subtotal – Planning Studies:	\$	\$ 438,089	\$ 438,089
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City Programs – Funding (including overhead) is approved for the following CDBG services performed by City departments. Staffing and other expenses for these projects are approved in the operating budgets of the applicable City department.

CDBG Program Development & Monitoring (Parks, Recreation, & Neighborhood Services Department)	\$	\$ 1,164,916	\$ 1,164,916
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This program will continue to provide planning and administration of the CDBG Program, including technical assistance and monitoring of all CDBG-funded projects.

Strong Neighborhood Initiative Organizing & Implementation (Parks, Recreation, & Neighborhood Services Department)		336,239	336,239
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This program will continue its partnership with the Redevelopment Agency and the community to build clean, safe, and attractive neighborhoods with strong, independent, and capable neighborhood organizations.

Community Development Block Grant

Budget Category: Community Development Improvements

Budget Category Summary (Cont'd.)

Adopted Allocation	Rebudgeted Prior Years Fund (\$)	2002-2003 Entitlement (\$)	Total Adopted 2002-2003 (\$)
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Community Improvement Program (Planning, Building, & Code Enforcement Department)	\$	\$ 507,351	\$ 507,351
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This program will continue to provide staff and other services to coordinate housing code enforcement with comprehensive programs to clean up deteriorating multi-family buildings and neighborhoods. The project will include an emphasis on working with residents in targeted areas to develop and implement the program.

Project Crackdown Program (Planning, Building, & Code Enforcement Department)		545,023	545,023
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Project Crackdown emphasizes a comprehensive approach of empowering communities to improve their health, safety, and appearance by bringing in resources from outside the area. All the City of San Jose's departments assist the program by educating the targeted population on how to deal with substandard housing, neighborhood blight, and slum conditions.

Neighborhood Action Center (Planning, Building, & Code Enforcement Department)		479,870	479,870
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This program will provide code enforcement services to two Project Crackdown areas and two Neighborhood Action Centers.

Anti-Graffiti Program (Parks, Recreation, & Neighborhood Services Department)		464,110	464,110
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This program will continue to provide for short-term and long-term abatement of graffiti on public and private property. The program offers technical assistance, education programs, and enforcement of the blight ordinance.

Accounting for CDBG (Finance Department)		175,815	175,815
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This program will continue to provide accounting services required for administration of the CDBG and Housing Rehabilitation Programs.

Community Development Block Grant

Budget Category: Community Development Improvements

Budget Category Summary (Cont'd.)

Adopted Allocation	Rebudgeted Prior Years Fund (\$)	2002-2003 Entitlement (\$)	Total Adopted 2002-2003 (\$)
Concentrated Code Enforcement Program (Planning, Building & Code Enforcement Department)	\$	\$ 810,810	\$ 810,810
This program will continue to provide proactive, comprehensive enforcement of various health, safety, and housing codes in selected low and moderate-income single-family and duplex property neighborhoods.			
Subtotal – City Programs:	\$	\$ 4,484,134	\$ 4,484,134
Subtotal All CDI Programs	\$ 258,946	\$ 13,018,055	\$ 13,277,001
Fund Balance and Miscellaneous	\$ 5,451,275	\$ 0	\$ 5,451,275
Total CDI Programs	\$ 5,710,221	\$ 13,018,055	\$ 18,728,276

Healthy Neighborhoods Venture Fund*

M I S S I O N

Smoking and tobacco-related illnesses have been a major public health issue, particularly in recent years as more lawsuits were brought by individuals and entities against the tobacco industry. The attorneys general of most States and the major United States tobacco companies agreed to settle more than 40 pending lawsuits brought by States against the tobacco industry. In exchange for dropping their lawsuits, and agreeing not to sue in the future, the States will receive billions of dollars in payments from the tobacco companies. Further, the companies will restrict their marketing activities and establish new efforts to curb tobacco consumption. The City, along with the other States and local government entities, joined in the settlement.

The Master Settlement Agreement (MSA) was signed by parties to the lawsuit on November 23, 1998.

The City is expected to receive an estimated \$250 million over the next 25 years. With the involvement of the community, the City Council established priorities and criteria to guide the distribution of these funds. These priorities and criteria are detailed in the discussion that follows.

* *Finances of this fund may be found in the source and use statement entitled, "Anti-Tobacco Master Settlement Agreement Revenue Fund".*

Healthy Neighborhoods Venture Fund

Budget Summary

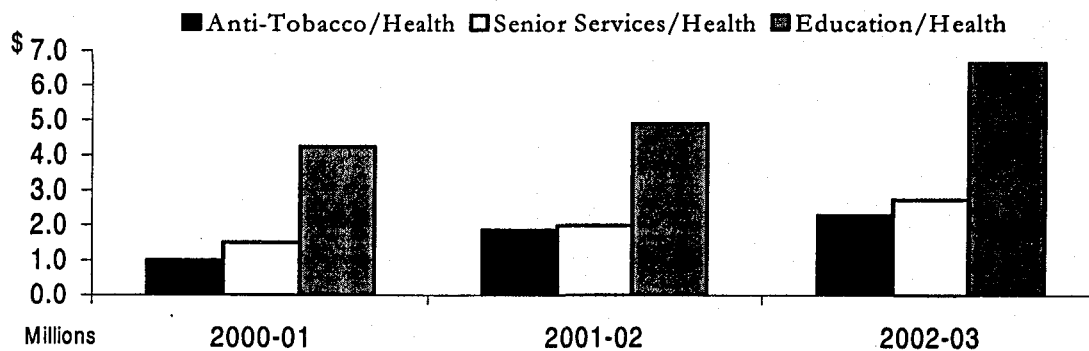
	2001-2002 Adopted	2002-2003 Adopted	Change
Anti-Tobacco/Health Activities	\$ 2,615,572	\$ 2,317,702	(11.4%)
Senior Services/Health Activities	\$ 3,026,377	\$ 2,759,544	(8.8%)
Education/Health Activities	\$ 5,736,344	\$ 6,659,956	16.1%

Budget Highlights 2002-2003

- ☐ Funding for children's health insurance and free dental services.
- ☐ Early literacy program for children between the ages of 0 - 5.
- ☐ Expansion of senior nutrition activities.
- ☐ Free legal services to San Jose elders.

Budget
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Healthy Neighborhoods Venture Fund Allocation by Category



Healthy Neighborhoods Venture Fund

Fund Overview

The City of San Jose estimates \$250 million will be received over the next 25 years from the national settlement with tobacco companies. It is estimated that the ongoing allocation for the next 23 years will be approximately \$10 million per year.

On June 27, 2000 the City Council adopted an ordinance establishing a special fund (Anti-Tobacco Master Settlement Agreement Revenue Fund) for receipt and use of tobacco settlement funds. On September 5, 2000, the City Council approved an allocation plan, timeline, criteria, and funding priorities for the use of these funds, hereafter referred to as the Healthy Neighborhoods Venture Fund (HNVF) Program. Originally, the plan required that 25% of the funds be allocated to existing or new anti-tobacco/health activities, 25% to senior services/health activities, and the remaining 50% to education/health activities. This allocation plan also allowed up to 50% of available funds to be allocated as ongoing funding and the remaining 50% for yearly one-time funding and/or multi-year one-time services and capital projects (limited to a funding term of three years during a single funding cycle). The City Council stipulated that any allocation of HNVF Program funds should be decided through a competitive process.

Cycle 1

The City Council set the first funding process, Cycle 1, to cover the period from January 1, 2000 through June 30, 2001, with up to \$8.5 million available for allocation. Of this amount, the City Council allocated approximately \$6.7 million to 51 projects. As part of Cycle 1, the City Council also approved placements or funding priorities of approximately \$8.8 million to 41 projects for 2001-2002 and approximately \$3.2 million to 14 projects for 2002-2003. A placement "reserves" a future year's funding allocation for a specific project

and does not carryover or obligate previous years' funding amounts. Receipt of a placement is contingent upon satisfactory performance of goals and contractual requirements as well as City Council appropriation of funds for the coming fiscal year. Placement amounts approved in Cycle 1 impacting 2002-2003 are detailed in each of funding category's section.

The total Cycle 1 placement recommendation in the Education/Health category exceeded funding available in 2001-2002. For this reason, the City Council approved a one-time transfer of \$600,000 from the Anti-Tobacco/Health category to the Education/Health category. This transfer offset the gap and left approximately \$523,000 for allocation in the Cycle 2, 2001-2002 funding process.

Cycle 2

The Cycle 2 funding process covered the period of July 1, 2001 through June 30, 2002. Approximately \$11.3 million was allocated in Cycle 2 and no placements or funding priorities were approved. Following the Cycle 2 process, on November 13, 2001 the City Council approved a revised allocation policy for award of funds in the three funding categories. For future flexibility, the original "25-25-50" allocation formula became a "guideline" rather than a requirement. As a result, the amount of funds allocated in the three funding categories in this Adopted Budget reflects a "20-23-57" allocation.

Cycle 3

The Cycle 3 funding process covers the period of July 1, 2002 through June 30, 2003. Allowing for a maximum fund administration cost of \$500,000 (approximately 5%), \$9.6 million was available for allocation in Cycle 3.

Healthy Neighborhoods Venture Fund

Fund Overview (Cont'd.)

This amount includes available funding of \$100,000 from Calpine Corporation for allocation in the Education/Health Activities category. Of the amount available in Cycle 3, approximately \$3.2 million was approved for placement projects through the Cycle 1 process, leaving approximately \$6.4 million available for new project proposals. Through a combination of placements that returned funds and additional Council-approved funds, the total amount of funds available for allocation to new projects for 2002-2003 was approximately \$9.1 million. Altogether, a total amount of \$11,737,202 is allocated for projects in 2002-2003.

Included in this Adopted Budget, in addition to the \$11.7 million available for allocation, is \$1.12 million to fund approximately 70 existing Homework Centers and \$150,000 to fund a line of credit for the Downtown College Preparatory Charter High School. Funding is available from higher than anticipated tobacco settlement revenues received in 2001-2002.

The 2002-2003 Adopted Budget does not include projected unexpended funds from 2001-2002 to rebudget. Rebudgets will be recommended during the Annual Report process in the fall 2002.

Fund Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Adopted 3	% Change (2 to 3)
Dollars by Sources				
Fund Balance	7,574,418	15,152,341	18,162,739	19.9%
Program Income	16,231,123	11,625,000	11,625,000	0.0%
Total	\$ 23,805,541	\$ 26,777,341	\$ 29,787,739	11.2%
Dollars by Uses				
Anti-Tobacco/Health Activities	\$ 275,400	\$ 2,615,572	\$ 2,317,702	(11.4%)
Senior Services/Health Activities	350,753	3,026,377	2,759,544	(8.8%)
Education/Health Activities	1,150,100	5,736,344	6,659,956	16.1%
Fund Balance and Miscellaneous	22,029,288	15,399,048	18,050,537	17.2%
Total	\$ 23,805,541	\$ 26,777,341	\$ 29,787,739	11.2%

Healthy Neighborhoods Venture Fund

Budget Category: Anti-Tobacco/Health Activities

Budget Category Overview

The goal of the Anti-Tobacco/Health Activities funding area is "to decrease the use of tobacco products and related health problems associated with tobacco use for San Jose residents, contributing to improved overall health for the city's population." In 2000-2001 nine projects were approved for funding totaling approximately \$1.0 million along with placements for the nine projects in 2001-2002 totaling approximately \$1.9 million and one project in 2002-2003 totaling \$10,000.

The one project with a placement of funding in 2002-2003 was unable to maintain its placement and, thus, the funds are available for allocation to new projects. The amount of funds allocated to the Anti-Tobacco/Health Activities category for 2002-2003 is \$2,317,702 and equals approximately 20% of the total funding approved for allocation within the fund.

Budget Category Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Adopted 3	% Change (2 to 3)
Anti-Tobacco/Health Activities	\$ 275,400	\$ 2,615,572	\$ 2,317,702	(11.4%)
Total	\$ 275,400	\$ 2,615,572	\$ 2,317,702	(11.4%)

Healthy Neighborhoods Venture Fund

Budget Category: Anti-Tobacco/Health Activities

Budget Category Summary (Cont'd.)

The following projects are approved for funding in 2002-2003 from the Anti-Tobacco/Health Activities category:

Adopted Allocation	Cycle 1 Placement	Cycle 3 Award	Total Adopted 2002-2003 (\$)
Foster Care Youth Leadership And Education (The Unity Care Group)	\$	\$ 109,000	\$ 109,000

Funding will provide young people in San Jose who are under the supervision of the County Social Services Agency or Probation Department with seven eight-week workshops. Workshops will work toward the following goals: increased ability to set positive goals; decrease negative behaviors; stop or resist smoking; improve problem-solving and thinking skills; and develop awareness of positive alternatives to prison.

Healthy Life Skills Project (Ujima Adult and Family Services)	27,477	27,477
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Funding will provide culturally-centered material and group activities designed to counter pro-tobacco influences to 40 African American students at four high schools in San Jose.

InnVision's Tobacco-Free Health Project (InnVision of Santa Clara Valley)	60,000	60,000
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Funding will provide a program to prevent 2,300 homeless and extremely low-income children from initiating tobacco use and to empower over 6,000 homeless adults to avoid tobacco use.

Youth Anti-Tobacco Collaborative (Parks, Recreation and Neighborhood Services Department)	600,000	600,000
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Funding will provide assessment of community levels of programming and service needs; development of a service delivery system; community action mobilization; prevention cessation, counseling, and/or rehabilitation services; identification of resources; strategy development; design of inter-agency programs; and implementation of the City goal to decrease the use of tobacco products and related health problems.

DCARA Healthy Living Project (Deaf Counseling, Advocacy & Referral Agency)	87,250	87,250
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Funding will provide services and activities related to tobacco use and health that are language accessible (American Sign Language) and culturally sensitive to approximately 300 deaf, deafened, deaf-blind, and hard-of hearing children and youth, young adults, adults, and senior citizens.

Healthy Neighborhoods Venture Fund

Budget Category: Anti-Tobacco/Health Activities

Budget Category Summary (Cont'd.)

Adopted Allocation	Cycle 1 Placement	Cycle 3 Award	Total Adopted 2002-2003 (\$)
Promoting Access to Health (Emergency Housing Consortium)	\$	\$ 71,413	\$ 71,413
Funding will provide a tobacco education, prevention, and cessation program supported by an expanded program of stress reduction and improved nutrition, targeting homeless young adults ages 18-24 years.			
Healthy Stages (San Jose Children's Musical Theater)		151,422	151,422
Funding will provide a "Theatre As Digital Activity" program that includes on-line discussion groups giving children the opportunity to develop plays with a non-smoking theme. The anti-tobacco plays will be performed at an assembly at five elementary and middle schools in San Jose.			
MACSA – Salud Sin Tobacco (Mexican American Community Services Agency)		63,940	63,940
Funding will provide a tobacco education program aimed at elementary-aged youth. Peer educators will be chosen to learn about anti-tobacco issues and then create culturally relevant puppet shows that educate youth about those issues.			
Rosa Elena Childcare Center (Respite, Research for Alzheimer's Disease)		55,000	55,000
Funding will provide teachers to foster tobacco prevention, education and general wellness to increase the frequency of parents discussing the hazards of tobacco use with their children, and support parents.			
Healthy Net (RT Basketball)		125,000	125,000
Funding will provide comprehensive social skills training to youth to counter negative peer and media influences, developing a strong individual identity with a healthy peer community. Training will reduce and prevent extreme health risks related to tobacco use, unhealthy sexual attitudes and behaviors, as well as poor diet and exercise among 200 youth with learning and emotional disabilities living in group homes.			

Healthy Neighborhoods Venture Fund

Budget Category: Anti-Tobacco/Health Activities

Budget Category Summary (Cont'd.)

Adopted Allocation	Cycle 1 Placement	Cycle 3 Award	Total Adopted 2002-2003 (\$)
Keep the Music Alive (San Jose Jazz Society)	\$	\$ 352,476	\$ 352,476
Funding will provide an anti-tobacco component in its San Jose Jazz Society program, including education and outreach activities targeting 11,000 under-served children in Title I schools. In addition, 91 other arts organizations will be urged to adopt policies not to accept tobacco funding.			
Pathway to Family Wellness (Pathway Society, Inc.)		25,646	25,646
Funding will provide six family wellness workshops for 480 low-income parents and their children at four residential substance abuse centers in San Jose.			
Local Enforcement of Tobacco Control Regulations (Planning, Building and Code Enforcement Department)		91,498	91,498
Funding will provide a Code Enforcement Inspector to enforce local regulations related to smoking in bars, restaurants and workplaces, display of tobacco products, and tobacco product advertising.			
Youth Tobacco Education & Compliance (Police Department)		61,450	61,450
Funding will provide additional capacity to the Department's Youth Tobacco Education & Compliance Program. This program conducts "stings", or compliance checks, of businesses that sell tobacco products as well as tobacco education to third, fifth, and seventh grade students.			
Project Crossroads (Asian American Recovery Services, Inc.)		175,000	175,000
Funding will provide outpatient substance abuse prevention and intervention programming to 150 youth, grades 6-12, at four San Jose middle and high schools. Services will result in reduced drug usage, improved academic achievement, and increased school attendance among students receiving services. Targeted populations include Vietnamese, Cambodian, Filipino, Latino, Caucasian, and African-American.			

Healthy Neighborhoods Venture Fund

Budget Category: Anti-Tobacco/Health Activities

Budget Category Summary (Cont'd.)

Adopted Allocation	Cycle 1 Placement	Cycle 3 Award	Total Adopted 2002-2003 (\$)
Vida Nueva Program Expansion Project \$ (The American GI Forum of San Jose)		\$ 151,430	\$ 151,430
Funding will provide the construction of a new modular housing unit for the Vida Nueva Program Facility that will accommodate an additional 30 clients needing a smoke, drug, and alcohol free sober living environment.			
Mind the Gap College Anti-Tobacco Project (American Lung Association of Santa Clara-Benito Counties)		109,700	109,700
Funding will train 40 college students in assessing their campus environment and advocating for changes that will reduce environmental tobacco smoke exposure and tobacco industry influences. The college students will also mentor 240 additional peers and younger students in tobacco use prevention and cessation.			
Total Anti-Tobacco/Health Activities	\$ 0	\$ 2,317,702	\$ 2,317,702

Healthy Neighborhoods Venture Fund

Budget Category: Senior Services/Health Activities

Budget Category Overview

The goal of the Senior Services/Health Activities funding area is "to improve the quality of life for seniors through increasing subsidized City sponsored and/or operated programs and services, providing for basic health and nutritional needs, and promoting independent living and social/recreational activities". In 2000-2001, approximately \$2.1 million was available for allocation and approximately \$2.3 million in 2001-2002.

Funding requests have exceeded the total funds available for allocation in all cycles. Requests in 2000-2001 were mostly for multi-year and ongoing funds. The ability to continue funding projects through 2001-2002, or beyond, was a

major consideration in the decision to fund multi-year and ongoing requests.

In Cycle 1, the City Council approved placements for three projects in 2002-2003 totaling approximately \$1.0 million. In Cycle 3, one of the placement amounts was reduced by approximately \$368,000 and the funds were made available for allocation to new projects. The amount of funds allocated to the Senior Services/Health Activities category for 2002-2003 is \$2,759,544 or approximately 23% of the total funding approved for allocation within the fund.

Budget Category Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Adopted 3	% Change (2 to 3)
Senior Services/Health Activities	\$ 350,753	\$ 3,026,377	\$ 2,759,544	(8.8%)
Total	\$ 350,753	\$ 3,026,377	\$ 2,759,544	(8.8%)

Healthy Neighborhoods Venture Fund

Budget Category: Senior Services/Health Activities

Budget Category Summary (Cont'd.)

The following projects are approved for funding in 2002-2003 from the Senior Services/Health Activities allocation:

Adopted Allocation	Cycle 1 Placement	Cycle 3 Award	Total Adopted 2002-2003 (\$)
Addressing Gaps in the Aging Services Continuum (Parks, Recreation, and Neighborhood Services Department)	\$ 506,328	\$	\$ 506,328
Funding will continue to provide additional capacity in senior services, particularly those identified in the City's Aging Services Master Plan, including coordination, nutrition, case management, intergenerational programming, and health as well as multicultural services.			
Senior Adult Day Care/Respite (Live Oak Adult Day Services)	60,000		60,000
Funding will continue to provide a specialized adult day care service for frail, at-risk seniors, emphasizing mental/physical stimulation and socialization.			
Legal Assistance to Elders (Senior Adults Legal Assistance)	65,500		65,500
Funding will provide free legal services to San Jose elders by continuing on-site services at 10 San Jose senior centers; expanding services at four existing sites (Eastside, Willow, St. James, and Southside) and to a new site (Almaden); and adding a new telephone hotline to respond to urgent matters (e.g., elder abuse or protective services emergencies).			
Senior Companion Program (Parks, Recreation and Neighborhood Services Department)		47,840	47,840
Funding will provide twenty frail and homebound seniors with in-home assistance, companionship and respite care by ten senior companions.			
Northside Intergenerational Project (FilAmDC/Northside Community Center)		307,919	307,919
Funding will provide a case management program for at-risk seniors, and intergenerational services including tutoring services in academics and computer literacy, and a program to stop tobacco use.			
Home Healthcare Access (Means Home Healthcare Services, Inc.)		202,000	202,000
Funding will provide medically necessary home care services to under-served, Medi-Cal and uninsured populations.			

Healthy Neighborhoods Venture Fund

Budget Category: Senior Services/Health Activities

Budget Category Summary (Cont'd.)

Adopted Allocation	Cycle 1 Placement	Cycle 3 Award	Total Adopted 2002-2003 (\$)
Senior Services and After School Youth Program (Ethiopian Community Services, Inc.)	\$	\$ 120,000	\$ 120,000
Funding will provide services to the Ethiopian senior and youth populations. Services will include counseling services, translation and interpretation, transportation, and a new after-school youth program that focuses on tutoring and computer skills.			
Day Break Respite and Caregiver Support Services (Catholic Charities of Santa Clara County)		122,308	122,308
Funding will provide respite and caregiver support services, allowing dependent elders to remain safely at home and out of institutional settings for as long as possible.			
Minority Senior Service Providers Consortium Wellness Project (Self-Help for the Elderly)		210,000	210,000
Funding will provide recreation/socialization and information and referral services, including the addition of a new, direct service, wellness program to meet urgent and critical needs of a growing, low-income, non-English-speaking population of Chinese, Japanese, Korean and Portuguese.			
Community Care for American Indian Elders (Indian Health Center of Santa Clara Valley)		101,329	101,329
Funding will provide comprehensive and culturally appropriate health care to American Indian elders and their families through health programs that increase access to services and decrease isolation.			
ENC Seniors Helping Seniors Wellness Team (Catholic Charities of Santa Clara County)		64,543	64,543
Funding will provide quality of life assistance, advocacy, health education and screening services, and language services to Latino and Filipino seniors.			
Seniors Hope (Eastern European Services Agency)		72,555	72,555
Funding will provide intensive case management; ESL and citizenship classes; social adjustment training with a strong emphasis on integration into the community at large; and social gatherings and activities to senior citizens, adults, and adults with disabilities from the former Yugoslavia.			

Healthy Neighborhoods Venture Fund

Budget Category: Senior Services/Health Activities

Budget Category Summary (Cont'd.)

Adopted Allocation	Cycle 1 Placement	Cycle 3 Award	Total Adopted 2002-2003 (\$)
Grandparent Caregiver Resource Center \$ (Catholic Charities of Santa Clara County)		\$ 54,250	\$ 54,250
Funding will provide health care services available to caregivers, respite care services, and seminars to address the health dangers of smoking for adults and children.			
Foster Grandparent Program (Catholic Charities of Santa Clara County)		48,770	48,770
Funding will allow four new and eight continuing senior volunteers to be trained and placed in four Head Start classrooms in South San Jose for the purpose of providing individualized attention to children with special needs.			
LGBT Senior Services (Billy DeFrank Lesbian and Gay Community Center)		71,715	71,715
Funding will provide expanded services including information and referral, workshops, senior nutrition, and social and recreational activities for lesbian, gay, bisexual, transgender and questioning seniors.			
Outreach and Education for Seniors with Diabetes (Diabetes Society of Santa Clara Valley)		100,000	100,000
Funding will expand health education services for seniors with diabetes to 20 senior centers in San Jose.			
Day Break II Asian Respite and Caregiver Support (Catholic Charities of Santa Clara County)		93,509	93,509
Funding will provide respite and caregiver support services to Chinese and Vietnamese seniors, allowing dependent elders to remain safely at home and out of institutional settings for as long as possible.			
Older Battered Women's Program (Next Door Solutions to Domestic Violence)		146,402	146,402
Funding will provide outreach, education, counseling and case management services designed to improve the quality of life for senior women who are victims of domestic abuse.			

Healthy Neighborhoods Venture Fund

Budget Category: Senior Services/Health Activities

Budget Category Summary (Cont'd.)

Adopted Allocation	Cycle 1 Placement	Cycle 3 Award	Total Adopted 2002-2003 (\$)
Senior Wellness Program for Non-English Speaking Seniors, Phase II (Parks, Recreation and Neighborhood Services Department)	\$	\$ 51,350	\$ 51,350
Funding will provide development and translation of health fact sheets in Spanish, Tagalog, Russian, Portuguese, Chinese, Japanese, Korean, Vietnamese, and English; and health and wellness services at Asian Americans for Community Involvement and Jewish Family Services sites.			
MACSA Adult Day Health Care Scholarship Project (Mexican American Community Services Agency)		108,251	108,251
Funding will provide scholarships to the MACSA Adult Day Health Care facility, a comprehensive rehabilitative and therapeutic health care facility. The scholarships will cover the Medi-Cal share of cost for low-income physically and mentally impaired, frail seniors who attend the facility.			
Alzheimer's Activity Center (Respite, Research for Alzheimer's Disease)		30,000	30,000
Funding will provide 70,000 hours of therapeutic services to 104 extremely low- to moderate-income seniors suffering from Alzheimer's and related memory loss. Services will include activities that encourage physical mobility; enhance and use of cognitive skills; stimulate interaction on a personal and group level; provide monitoring and assistance in the areas of nutrition, personal hygiene, and stability; and increase community education about the disease.			
Long Term Care Ombudsman Program (Catholic Charities of Santa Clara County)		47,975	47,975
Funding will expand advocacy and mediation services for frail and chronically ill residents in nursing facilities, assisted living and residential care facilities for the elderly.			
Meals for Low Income Seniors (The Health Trust)		40,000	40,000
Funding will provide an increased number of weekday, hot meals to 44 seniors participating in The Health Trust's Meals on Wheels program.			

Healthy Neighborhoods Venture Fund

Budget Category: Senior Services/Health Activities

Budget Category Summary (Cont'd.)

Adopted Allocation	Cycle 1 Placement	Cycle 3 Award	Total Adopted 2002-2003 (\$)
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Senior Safety Education (Fire Department)	\$	\$ 87,000	\$ 87,000
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Funding will provide safety information to approximately 300 seniors a month and use the National Fire Protection Agencies' "Remember When" program, focusing on eight fire prevention and eight fall prevention safety concerns for seniors.

Total Senior Services/Health Activities	\$	631,828	\$	2,127,716	\$	2,759,544
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Healthy Neighborhoods Venture Fund

Budget Category: Education/Health Activities

Budget Category Overview

The goal of the Education/Health Activities funding area is "to improve academic success of San Jose students through programs that address unmet health care needs, provide for healthy developmental age appropriate activities at school sites, and pilot innovative classroom-related activities and instruction".

Ten projects in the Education/Health category were awarded placements in 2002-2003 totaling

approximately \$2.2 million. One of the Cycle 1 placement projects returned the awarded funds (\$242,409). In addition, funding of \$100,000 from Calpine Corporation is available to this category. The amount of funds allocated to the Education/Health category for 2002-2003 is \$6,659,956 and equals approximately 57% of the total funding approved for allocation within the fund.

Budget Category Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Adopted 3	% Change (2 to 3)
Education/Health Activities	\$ 1,150,100	\$ 5,736,344	\$ 6,659,956	16.1%
Total	\$ 1,150,100	\$ 5,736,344	\$ 6,659,956	16.1%

Healthy Neighborhoods Venture Fund

Budget Category: Education/Health Activities

Budget Category Summary (Cont'd.)

The following projects are approved for funding in 2002-2003 from the Education/Health Activities allocation:

Adopted Allocation	Cycle 1 Placement	Cycle 3 Award	Total Adopted 2002-2003 (\$)
East San Jose Multi-Service Center (A Project of St. Vincent de Paul, Loaves & Fishes, O'Connor Hospital, and East San Jose Community Law Center)	\$ 250,000	\$	\$ 250,000
Funding will provide partial funding toward the acquisition of a 28,400 square foot multi-service center to house community, health, and economic development activities for low-income residents, including seniors and youth.			
General Support (Gardner Family Health Network, Inc.)	128,735		128,735
Funding will continue to provide two additional support staff to each of the three Gardner Family Health Network center operations.			
Camp Anytown (National Conference for Community and Justice)	70,470		70,470
Funding will continue to provide collaboration with 10 high schools in the East Side Union High School District to organize and provide an intensive four-day/three-night Camp Anytown. Camp Anytown is meant to lead to a breakdown in stereotypes, bias, and prejudice as well as increase understanding and respect for different races, ethnicities, religions, cultures, and other factors that act to divide communities.			
Youth Build San Jose (San Jose Conservation Corps)	100,000		100,000
Funding will continue to provide a comprehensive youth development program that includes education, paid job training, leadership development, counseling and job placement, while performing community service and community development through the construction and rehabilitation of low-income housing throughout San Jose.			

Healthy Neighborhoods Venture Fund

Budget Category: Education/Health Activities

Budget Category Summary (Cont'd.)

Adopted Allocation	Cycle 1 Placement	Cycle 3 Award	Total Adopted 2002-2003 (\$)
Children's Health Initiative (Santa Clara Family Health Plan)	\$ 1,000,000	\$ 1,100,000	\$ 2,100,000
Funding will provide health insurance availability to children whose families have income at or below 300% of the federal poverty level. Included in this amount is \$100,000 from Calpine Corporation.			
Books for Little Hands (Library Department)	194,250		194,250
Funding will provide a comprehensive early literacy program for children between the ages of 0-5 in San Jose that are in child care, including education for child care providers and parents regarding the importance of early literacy and specific techniques to promote literacy with their children.			
Project Safe Place/Safe Place Community Outreach (Bill Wilson Marriage and Family Counseling)	80,000		80,000
Funding will provide crisis intervention for youth, community outreach and education, and leadership development activities.			
Project Connections (Alum Rock Counseling Center, Inc.)	63,304		63,304
Funding will provide a comprehensive mentoring program that will match 40 volunteers from Silicon Valley corporations to act as mentors, tutors, and coaches to 40 high-risk students at Overfelt High School.			
The Boy's Smart Choice Pre-teen Prevention Program (Alum Rock Counseling Center, Inc.)	103,162		103,162
Funding will provide comprehensive after-school support services to high-risk boys in grades seven through eight at two middle schools (Sylvandale and McCollum).			
San Jose Conservation Corp/ Youth Corps (San Jose Conservation Corps)		115,000	115,000
Funding will provide an after-school tutorial and paid community service program servicing 80 at-risk and under-served students at Andrew Hill and Gunderson High Schools.			

Healthy Neighborhoods Venture Fund

Budget Category: Education/Health Activities

Budget Category Summary (Cont'd.)

Adopted Allocation	Cycle 1 Placement	Cycle 3 Award	Total Adopted 2002-2003 (\$)
RAFT/JASON Collaborative (Resource Area for Teachers (RAFT) and the Jason Project)	\$	\$ 159,150	\$ 159,150
Funding will improve academic success of under-served San Jose students by expanding and enhancing existing education programs that Resource Area for Teachers (RAFT) and The Jason Project already offer. The Collaborative will support more teachers, reach more under-served students, and offer programs that pilot innovative classroom activities and instruction.			
San Jose Community Oceanography Program (O'Neill Sea Odyssey and Parks, Recreation and Neighborhood Services Department)		82,475	82,475
Funding will provide low- to moderate-income San Jose youth with a weeklong class on watershed education, protection and enhancement, and hands-on experience in marine science, navigation, and ecological science.			
Legal Eagle (Fresh Lifelines for Youth, Inc.)		32,114	32,114
Funding will provide an after-school 12-week course in law-related education and case management services for at-risk high school youth involved in juvenile crime to teach them about the consequences of crime.			
After School Enrichment Program (Parks, Recreation and Neighborhood Services Department)		566,000	566,000
Funding will provide quality after-school extended day programs, including literacy, arts, recreation, and enrichment from 2:00 p.m. to 6:00 p.m., Monday through Friday, during the school year.			
Cornerstone's School Partnership Project (YMCA of Santa Clara Valley)		69,222	69,222
Funding will provide training and support on the research-based developmental assets framework for school staff, students and parents.			

Healthy Neighborhoods Venture Fund

Budget Category: Education/Health Activities

Budget Category Summary (Cont'd.)

Adopted Allocation	Cycle 1 Placement	Cycle 3 Award	Total Adopted 2002-2003 (\$)
Safety-Net-Summer Lunch Program For Youth (Parks, Recreation and Neighborhood Services Department)	\$	\$ 25,250	\$ 25,250
Funding will provide a summer lunch program for students in the San Jose Unified and Alum Rock Union School Districts.			
Strengthening Our Center (Indian Health Center of Santa Clara Valley, Inc.)		310,584	310,584
Funding will renovate the Indian Health Center facility at 1333 Meridian Avenue. Building upgrades include repaving the parking lot, expansion of the Medical Department, and compliance with Americans with Disabilities Act standards.			
Coordinating Care for Our Families Project (Indian Health Center of Santa Clara Valley, Inc.)		75,000	75,000
Funding will provide services to American Indian families, including parenting classes, youth group, and injury prevention programs while implementing culturally appropriate case management.			
Project Fresh Start (Friends Outside in Santa Clara County)		75,000	75,000
Funding will expand existing counseling services offered to youth and offer counseling services to family members as well, including case management services, after school groups, transportation to and from youth group counseling, and mentoring.			
After School Program for Brain Injured Children (Services for Brain Injury)		84,000	84,000
Funding will provide after school sessions two times per week to address social and behavioral issues that arise when brain injury occurs. Services will include family training to support the child's new learning and offer support in the home environment.			
Provider Training Resource and Activity Center (Continuing Development, Inc.)		13,900	13,900
Funding will provide equipment for the resource center to assist with the training and development of childcare providers.			

Healthy Neighborhoods Venture Fund

Budget Category: Education/Health Activities

Budget Category Summary (Cont'd.)

Adopted Allocation	Cycle 1 Placement	Cycle 3 Award	Total Adopted 2002-2003 (\$)
SAFE KIDS Firearm Safety Education/ Gunlock Distribution Project (Lucile Salter Packard Children's Hospital)		\$ 117,515	\$ 117,515
Funding will provide firearm safety education at schools, gunlock distribution through the San Jose Police Department and at special events city-wide, and outreach and training for healthcare and child care professionals.			
Starfish Corps (City Year San Jose/Silicon Valley)		45,000	45,000
Funding will provide a 10-week session for third through sixth graders to introduce them to service and social issues in the areas of the environment, education, peace, diversity appreciation, and health and human needs.			
Tooth Mobile (Tooth Mobile)		200,456	200,456
Funding will provide free, accessible, quality dental services to over 15,000 low-income, uninsured children, adults, and seniors at schools and community centers in San Jose.			
Connecting Youth and Families to Technology (Parks, Recreation and Neighborhood Services Department)		434,974	434,974
Funding will provide increased youth access to technology as a method of supporting academic achievement, employment/career preparation, as well as positive and meaningful community involvement.			
Links to Action Learning for Youth (Emmanuel Family Life Center)		93,000	93,000
Funding will provide an educational program including tutoring and instruction in reading and writing, math and life skills designed to improve individual growth and broaden career possibilities.			

Healthy Neighborhoods Venture Fund

Budget Category: Education/Health Activities

Budget Category Summary (Cont'd.)

Adopted Allocation	Cycle 1 Placement	Cycle 3 Award	Total Adopted 2002-2003 (\$)
Street Reach Project (Mexican American Community Services Agency, Inc.) Funding will provide gang and substance abuse intervention services to gang-involved youth. Services will emphasize behavior modification and include case management and counseling services, asset development and resiliency skills, and employment readiness.	\$	\$ 84,806	\$ 84,806
Truancy Outreach & Support (Catholic Charities of Santa Clara County) Funding will provide youth at Independence and Yerba Buena High Schools in the East Side Union School District with counseling and mentoring services that emphasize positive alternatives to dropping out of school, gang involvement and teen pregnancy.		71,905	71,905
Leadership Ethnic & Academic Pride (Catholic Charities of Santa Clara County) Funding will provide after school services for third through fifth graders at Lowell Elementary School that emphasize academic enrichment, cultural awareness, leadership training, and counseling as a method of supporting academic achievement and reducing harmful behaviors.		46,663	46,663
Summer Art Studios (San Jose Museum of Art) Funding will provide a summer apprenticeship program, Studio 110, for youth ages 15-17 that teaches art techniques and skills.		79,234	79,234
Positive Action to School Suspension (Alliance of African American Community Organizations) Funding will provide a community-based alternative, out-of-school suspension program that includes a safe, supervised, and structured environment for middle and high school students suspended from school or in transition to an alternative school.		260,432	260,432
The Community Classroom Visit Program (The Role Model Program) Funding will provide an intervention program for elementary and middle school students designed to increase educational expectations and positive life choices through short-term mentoring by a caring adult.		68,200	68,200

Healthy Neighborhoods Venture Fund

Budget Category: Education/Health Activities

Budget Category Summary (Cont'd.)

Adopted Allocation	Cycle 1 Placement	Cycle 3 Award	Total Adopted 2002-2003 (\$)
FAST - Families and Schools Together (Family and Children Services)	\$	\$ 85,800	\$ 85,800
Funding will provide an innovative, collaborative, prevention/intervention program in which whole families with at-risk children gather and participate in specific, fun, research-based activities aimed at strengthening families and empowering parents.			
Workforce Readiness, Business and Economic Education (Junior Achievement of Santa Clara County, Inc.)		90,000	90,000
Funding will expand Junior Achievement's mentoring, workforce readiness and business and economic education programs for middle and high school youth.			
Heritage Arts Education (Mexican Heritage Corporation)		100,000	100,000
Funding will provide elementary through high school students with educational, cultural and art enrichment programs aimed at preserving the Hispanic culture, improving school retention and learning outcomes.			
Cultivating Community Power (Resources for Families and Communities in Santa Clara County)		184,355	184,355
Funding will provide expansion and integration of existing program (community development and training, family advocacy, American Indian Heritage Library) with the City's Strong Neighborhood Initiative, San Jose Chapter of Latino Peace Officers Association, and the Homework Center project.			
Total Education/Health Activities	\$ 1,989,921	\$ 4,670,035	\$ 6,659,956

Integrated Waste Management Fund

M I S S I O N

T*o provide solid waste disposal and recycling services, collection of fees for those services, and City efforts to encourage reduction, reuse, and recycling of solid waste. Services provided through this fund are:*

- *Garbage collection, recycling services, public outreach, and administration;*
- *Management of the City-wide disposal contract (IDC);*
- *Customer billing and customer service*

Integrated Waste Management Fund

Budget Summary

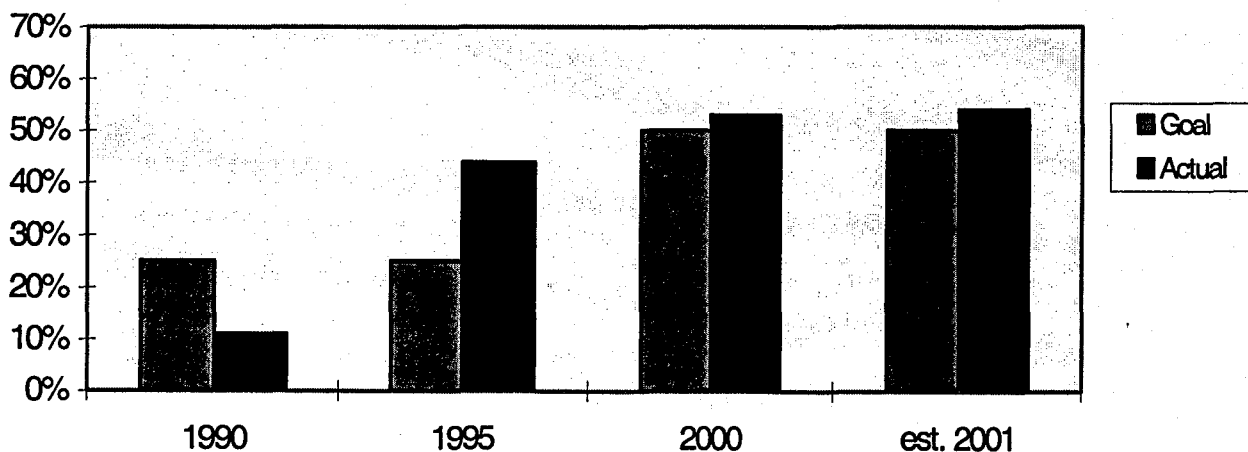
	2001-2002 Adopted	2002-2003 Adopted	Change
Garbage and Recycling Services, Public Outreach, and Administration	\$ 63,893,709	\$ 58,720,811	(8.1%)
Accounting and Lien Collection	\$ 1,268,731	\$ 1,201,230	(5.3%)
City-Wide Disposal Contract Mgmt.	\$ 8,184,000	\$ 8,277,298	1.1%

Budget Highlights 2002-2003

- In the first half of 2002-2003, the main activity in this fund will be the implementation of new garbage, recycling, yard trimmings and expanded street sweeping services.
- The key goal for this fund in 2002-2003 is to establish the basis for achieving cost recovery for both single-family and multi-family garbage and recycling rates over the next five years.
- One-time excess funds in the amount of \$260,655, from California Beverage Container Recycling fees, will be allocated to the City enabling the Department to accelerate the deployment of recycling modules in public areas.

Budget Byte

Percent of Solid Waste Diverted from Landfills



Integrated Waste Management Fund

Fund Overview

The key goal for this fund in 2002-2003 is revenue restructuring. This restructuring is designed to achieve cost recovery for both single-family and multi-family garbage and recycling rates. Recently, the City Council approved a series of service enhancements for the Recycle Plus residential garbage program. In order to bring the residential garbage program to cost recovery and maintain this level of enhanced service, a five-year rate strategy was approved as part of this budget. During the first year, rates will increase, effective January 2003, by an estimated 3% and 4% for single-family (SFD) and multi-family dwellings (MFD), respectively. The impact on the average single-family household will be a monthly increase of \$0.45 (from \$14.95 to \$15.40) in 2003. In following years, estimated residential garbage rate increases of 4% and 5% in 2003-2004, and 5% and 6% in 2004-2005, are included as part of this strategy for SFD and MFD households respectively. These rates are expected to bring the residential garbage program to cost recovery within the first three years of the five-year strategy. After cost recovery has been achieved, subsequent estimated rate increases of 5% in 2005-2006 and 4% in 2006-2007, for both SFD and MFD, would reflect projected cost of living increases in ongoing program expenses to maintain cost recovery. These rate increases will be analyzed and presented to the City Council each year and may fluctuate based on actual expenditures and revenues posted.

An additional benefit of achieving cost recovery is the ability to implement a gradual reduction in the Commercial (AB 939) Fee, by 50% from \$1.00 to \$0.50 per cubic yard, with a commensurate increase to Commercial Solid Waste Franchise Fees from \$2.84 to \$3.34 per cubic yard. Even though the total commercial solid waste fee load on businesses will remain the same at \$3.84 per cubic yard, the overall fee

changes will bring an additional \$1.3 million annually to the General Fund within three years.

Compared to other cities, both nationally and locally, of similar size and offering similar recycling and garbage services, San Jose will continue to rank among the lowest in residential SFD rates, as detailed in the chart on the following page.

In the first half of 2002-2003, the main activity in this fund will be the implementation of new garbage, recycling, yard trimmings and expanded street sweeping services. The extensive public education campaign that began in 2001-2002 will continue to bring up-to-date information to residents about when their services will change and how to properly participate in the new program. Customer service resources will be increased in anticipation of elevated activity resulting from the service changes. A successful rollout and prepared customer service operation will ensure timely response to customers inconvenienced by service changes and allow the program to retain a high customer satisfaction rating.

Also continuing is the effort to implement an integrated Customer Information System, Utility Billing System, Service Contract Management, and Partner Relationship Management (CUSP) system that will result in more accurate and timely reporting, staff efficiencies, and improved response time to customer inquiries. The CUSP will also address the increased contract performance monitoring needs that are part of the new Recycle Plus contracts. The new system will allow the City and contractors to more closely track performance and also to share customer service information in real time, leading to more consistent information and improved service.

Integrated Waste Management Fund

Fund Overview (Cont'd.)

The City's Public Area Recycling Program will be enhanced through additional funding provided by the State's Bottle Beverage fees. These funds will accelerate the scheduled replacement and/or deployment of recycling

modules throughout the City's public areas, using one-time funding of \$260,655. The additional funding is available due to a change in timing of payments.

Single-Family Dwelling Garbage and Recycling Program Rate Comparisons

Santa Clara County Cities

Monthly 32 Gallon Rate (based on Aug. 2001 survey)

Los Altos Hills	\$ 23.75
Gilroy	\$ 20.24
Milpitas	\$ 20.21
Monte Sereno	\$ 20.21
Los Altos	\$ 20.16
Morgan Hill (unlimited garbage service)	\$ 20.00
Palo Alto	\$ 18.00
County - Waste Management	\$ 17.11
Saratoga	\$ 17.31
Sunnyvale	\$ 17.23
County - Green Valley Disposal	\$ 16.46
Cupertino	\$ 16.44
Los Gatos	\$ 15.75
Campbell	\$ 15.75
San Jose	\$ 15.40
Mountain View	\$ 13.45
Santa Clara	\$ 8.95

Cities Outside California Comparable to San Jose in Size and Systems

Tacoma (30-gallon service)	\$ 20.00
Portland (32-gallon service)	\$ 18.85
Phoenix (100-gallon service)	\$ 17.70
Seattle (32-gallon service)	\$ 16.10
San Jose (32-gallon service)	\$ 15.40

Integrated Waste Management Fund

Fund Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Adopted 3	% Change (2 to 3)
Dollars by Sources				
Beginning Fund Balance	\$ 18,475,615	\$ 17,067,301	\$ 11,218,409	(34.3%)
Operating Revenues	61,759,651	62,064,919	64,162,317	3.4%
Interest and Other	1,686,500	732,699	546,177	(25.5%)
Transfers	371,447	420,000	450,000	7.1%
Total	\$ 82,293,213	\$ 80,284,919	\$ 76,376,903	(4.9%)
Dollars by Uses				
Garbage and Recycling Services, Public Outreach, and Administration	\$ 56,514,694	\$ 63,893,709	\$ 58,720,811	(8.1%)
Accounting and Lien Collection	1,017,332	1,268,731	1,201,230	(5.3%)
City-Wide Disposal Contract Management	7,527,331	8,184,000	8,277,298	1.1%
Ending Fund Balance	17,233,856	6,938,479	8,177,564	17.9%
Total	\$ 82,293,213	\$ 80,284,919	\$ 76,376,903	(4.9%)

Integrated Waste Management Fund

**Budget Category: Garbage and Recycling Services, Public Outreach,
and Administration**

Budget Category Overview

This category provides overall direction to ensure achievement of City objectives related to the reduction of solid waste and waste management. The Garbage and Recycling Services unit oversees and manages the garbage and recyclables collection contracts and customer service for San Jose residents and franchises for businesses. This unit also designs, evaluates, and implements programs to reduce waste generated by the City; provides policy and technical analysis; promotes programs for market development;

program promotion; and ensures compliance with environmental laws and permits. The Public Outreach Services unit designs, implements, and evaluates major public education outreach and marketing initiatives in support of recycling, composting, and waste reduction objectives. Administrative Services includes support services provided by various City departments, overhead to the General Fund, as well as Workers' Compensation Claims costs.

Budget Category Summary

Garbage and Recycling Services, Public Outreach, and Administration	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Adopted 3	% Change (2 to 3)
Garbage and Recycling Services	\$ 53,092,273	\$ 57,766,214	\$ 54,592,400	(5.5%)
Public Outreach	657,777	2,730,886	1,177,366	(56.9%)
Administration	2,764,644	3,396,609	2,951,045	(13.1%)
Total	\$ 56,514,694	\$ 63,893,709	\$ 58,720,811	(8.1%)

Integrated Waste Management Fund

**Budget Category: Garbage and Recycling Services, Public Outreach,
and Administration**

Budget Category Summary (Cont'd.)

Adopted Allocation	2001-2002 Adopted	Change	2002-2003 Adopted
Garbage and Recycling Services	\$ 57,766,214	\$ (3,173,814)	\$ 54,592,400

The majority of the changes in the 2002-2003 Adopted Budget reflect changes in the 2002-2003 Base Budget. The garbage and recycling contracts reflect a decrease of \$3,877,870 as a result of new hauler contracts that start July 1, 2002. This is partially offset by increases for Public Area Recycling of \$443,677, rebudgets of unexpended 2001-2002 funds for Construction and Demolition Recycling Infrastructure grant awards (\$100,000), and an increase for hauling contracts of 3% for materials related to illegal dumping (\$2,400) allocated to the Department of Transportation.

Public Outreach	2,730,886	(1,553,520)	1,177,366
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The decrease in Public Outreach Services reflects a decrease of \$1.8 million due to the elimination of one-time funding for the Transition Outreach program. This is partially offset by the rebudget of unexpended 2001-2002 funds (\$500,000) for continuing outreach to residents to educate them on service changes and use of the recycling cart, and for updating all brochures and outreach materials.

Administration	3,396,609	(445,564)	2,951,045
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Increases for the 2002-2003 Adopted Budget in cost of living adjustments for personal services and salary increases have been more than offset by a decrease in overhead expenses resulting in a total cost savings for the Integrated Waste Management Fund. Overhead expenditures for this Adopted Budget reflect a \$560,739 reduction compared to the 2001-2002 Adopted Budget. Additionally, this program includes funding allocated to the Department of Transportation (\$295,000) for additional parking restriction signs and contract services related to the street sweeping program.

Total Garbage and Recycling Services, Public Outreach, and Administration	\$ 63,893,709	\$ (5,172,898)	\$ 58,720,811
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Integrated Waste Management Fund

Budget Category: Accounting and Lien Collection

Budget Category Overview

This category provides accounting and delinquency collection services for the residential Recycle Plus program, including the

Garbage Lien unit. Revenue, expenditure and accounts receivable reconciliation is performed by program staff.

Budget Category Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Adopted 3	% Change (2 to 3)
Accounting and Lien Collection	\$ 1,017,332	\$ 1,268,731	\$ 1,201,230	(5.3%)
Total	\$ 1,017,332	\$ 1,268,731	\$ 1,201,230	(5.3%)

The decrease from the 2001-2002 Adopted Budget reflects staffing efficiencies determined by the Finance Department through the

reorganization and consolidation of activities. These reductions are partially offset by salary increases and cost of living adjustments.

Adopted Allocation	2001-2002 Adopted	Change	2002-2003 Adopted
Accounting and Lien Collection	\$ 1,268,731	\$ (67,501)	\$ 1,201,230

The change in the Accounting and Lien Collection program results from staffing realignments (\$3,101) and a reduction from the reorganization of the Payroll and Utility Billing Accounting Services (\$97,362). These reductions result from eliminating duplicate efforts and increased staff efficiencies. Increases in salary costs and cost of living adjustments partially offset these reductions.

Total Accounting and Lien Collection	\$ 1,268,731	\$ (67,501)	\$ 1,201,230
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Integrated Waste Management Fund

Budget Category: Management of City-Wide Disposal Contract Management

Budget Category Overview

This program pays the costs of the disposal of City waste delivered to the Newby Island Landfill.

Budget Category Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Adopted 3	% Change (2 to 3)
City-Wide Disposal Contract Management	\$ 7,527,331	\$ 8,184,000	\$ 8,277,298	1.1%
Total	\$ 7,527,331	\$ 8,184,000	\$ 8,277,298	1.1%

San Jose entered into an agreement with IDC (International Disposal Corporation of California, Inc.) in 1985 for City waste disposal services. The City successfully renegotiated changes to the agreement in 1995 in order to maximize the value of the agreement while minimizing the cost and risk to the City. The "residential waste" subject to the agreement is the waste that is collected by the City's Recycle Plus contractors.

an annually adjusted base rate for actual amounts of residential waste delivered to the landfill; fees and taxes that IDC must pay back to the City; State and County surcharges; and regulatory rate payments on a per-ton basis for costs resulting from changes to laws and regulations made after June 6, 1985. The City and IDC also agreed to provide for an additional extension of this agreement should the life of the landfill extend beyond December 31, 2020.

The City's payments for waste delivered to the Newby Island Landfill consist of the following:

Adopted Allocation	2001-2002 Adopted	Change	2002-2003 Adopted
City-Wide Disposal Contract Management	\$ 8,184,000	\$ 93,298	\$ 8,277,298

An increase of 1.1% is included in the 2002-2003 Base Budget to fund projected increases in tonnage due to customer growth and cost of living adjustments in the IDC agreement.

Total City-Wide Disposal Contract Management	\$ 8,184,000	\$ 93,298	\$ 8,277,298
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Sewer Service and Use Charge Fund

M I S S I O N

T*o account for the financing, construction, and operation of the sanitary sewer system and for San Jose's share of the financing, construction, and operation of the regional San Jose/Santa Clara Water Pollution Control Plant (WPCP). Services provided through this fund are:*

- *Sewer maintenance;*
- *Sewer rehabilitation;*
- *Sewage treatment at the Water Pollution Control Plant; and*
- *Reduction of wastewater flow*

Sewer Service and Use Charge Fund

Budget Summary

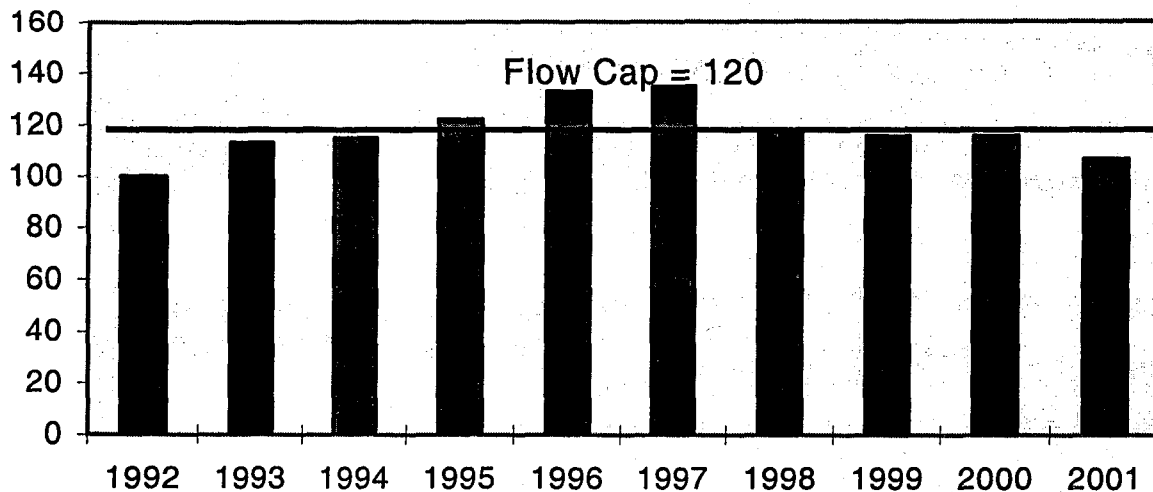
	2001-2002 Adopted	2002-2003 Adopted	Change
Sewer Maintenance and Admin.	\$ 20,194,166	\$ 18,638,900	(7.7%)
Sanitary Sewer Rehabilitation	\$ 16,000,000	\$ 16,000,000	0.0%
Water Pollution Control Plant	\$ 35,516,557	\$ 50,543,557	42.3%

Budget Highlights 2002-2003

- ☐ The Sewer Service and Use Charge Fee remains \$18.96 per month for single family dwellings for the ninth consecutive year.

Budget
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Average Dry Weather Effluent Flow from the Water Pollution Control Plant to the San Francisco Bay (millions of gallons per day)



Sewer Service and Use Charge Fund

Fund Overview

Sewer service and use charges to system customers have remained at the same level since 1994-1995, and no increase is scheduled for 2002-2003, leaving the charge at \$227.52 per year for a typical single-family dwelling.

The primary source of this fund's revenue is the fees paid through assessments to the residential, commercial, and industrial sectors. Growth is projected at approximately 1% for 2002-2003.

This fund serves as the primary revenue source for several other funds which include the Treatment Plant Operating Fund, the Treatment Plant Capital Fund, and the Sewer Service and Use Charge Capital Fund, through annual transfers.

The fund balance is currently at a level slightly higher than guidelines established for the fund, but that excess is planned to be used both for debt service and for large capital projects planned within the next three years. Included in the fund balance is a Rate Stabilization Reserve of \$2 million, which was established in response to covenants in the bonds issued in 1995 to finance the construction of the South Bay Water Recycling project. As fund balance is drawn down to pay for these projects, the need for any potential rate increase will be evaluated and recommendations brought forward to the City Council.

In cooperation with the Departments of Environmental Services, Public Works, and Transportation, these funds are managed to deliver services in the most efficient and cost-effective manner.

Fund Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Adopted 3	% Change (2 to 3)
Dollars by Sources				
Beginning Fund Balance	\$ 36,123,014	\$ 26,952,526	\$ 27,728,255	2.9%
Sewer Service and Use Charges	69,091,990	67,875,580	\$ 69,478,629	2.4%
Interest and Other	2,196,762	1,089,985	1,056,000	(3.1%)
SCVWD Reimbursements	61,725	0	0	N/A
Transfers	24,000	24,000	8,923,557	37081%
Total	\$ 107,497,491	\$ 95,942,091	\$ 107,186,441	11.7%
Dollars by Uses				
Sewer Maintenance and Administration	\$ 14,813,096	\$ 20,194,166	\$ 18,638,900	(7.7%)
Sanitary Sewer Rehabilitation	16,000,000	16,000,000	16,000,000	0.0%
Water Pollution Control Plant	47,096,600	35,516,557	50,543,557	42.3%
Ending Fund Balance	29,587,795	24,231,368	22,003,984	(9.2%)
Total	\$ 107,497,491	\$ 95,942,091	\$ 107,186,441	11.7%

Sewer Service and Use Charge Fund

Budget Category: Sewer Maintenance, Flow Reduction, and Administration

Budget Category Overview

This program is responsible for sewer system maintenance, flow reduction, and administrative services. System Maintenance is performed by the Department of Transportation, the Department of Public Works, and the General Services Department to repair damaged sewer pipes and maintain the system infrastructure. The Information Technology Department is also included in this

category. The Flow Reduction category includes the cost of water conservation programs for San Jose residents. Administrative Services include support services provided by various City departments, overhead to the General Fund, fees charged by the County for collecting assessments, and audit costs.

Budget Category Summary

Sewer Maintenance, Flow Reduction, and Administration	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Adopted 3	% Change (2 to 3)
System Maintenance	\$ 9,516,991	\$ 10,878,889	\$ 11,112,796	2.2%
Flow Reduction	303,920	96,112	0	(100%)
Administrative Services	4,992,185	9,219,165	7,526,104	(18.4%)
Total	\$ 14,813,096	\$ 20,194,166	\$ 18,638,900	(7.7%)

The Administrative Services section of the 2002-2003 Adopted Budget is significantly lower than the 2001-2002 Adopted Budget level due to the elimination of a one-time interest transfer to the General Fund of \$2.1 million for 2001-2002.

The percentage of the funding for the Flow Reduction Programs that comes from the Sewer Service and Use Charge Fund has

continued to be shifted to the Treatment Plant Operating Fund in proportion to the benefit received from the flow reduction programs. For 2002-2003, all water conservation activities will target residents in the Water Pollution Control Plant's entire service area with no programs exclusively for San Jose residents. Therefore, costs for Flow Reduction programs will appear only in the Treatment Plant Operating Fund.

Sewer Service and Use Charge Fund

Budget Category: Sewer Maintenance, Flow Reduction, and Administration

Budget Category Summary (Cont'd.)

The following projects have been approved for funding in 2002-2003 from the Sewer Maintenance, Flow Reduction, and Administration allocation:

Adopted Allocation	2001-2002 Adopted	Change	2002-2003 Adopted
System Maintenance	\$ 10,878,889	\$ 233,907	\$ 11,112,796
Changes for the 2002-2003 Adopted Budget include a reduction from the Department of Transportation (DOT) Base Budget to reflect the elimination of one-time supplies costs for sewer repair crew (\$12,000). Additionally, reductions in DOT's vehicle replacement (\$617,000) as a result of a City audit are reflected in this total. These reductions are offset by cost increases from salary increases, cost of living adjustments, and the rebudget of unexpended 2001-2002 funds of \$85,000 for sanitary sewer maintenance in DOT.			
Flow Reduction	96,112	(96,112)	0
The reduction from the 2001-2002 Adopted Budget reflects the transfer of all Flow Reduction costs to the Treatment Plant Operating Fund. Due to the success of the program, it was expanded to include all municipalities in the Water Pollution Control Plant service area, whose funding source is the Treatment Plant Operating Fund.			
Administrative Services	9,219,165	(1,693,061)	7,526,104
Changes from the 2001-2002 Adopted Budget include the elimination of a one-time interest transfer to the General Fund of \$2.1 million for 2001-2002. This is partially offset by cost increases from salary increases and cost of living adjustments, increases in workers compensation claims, and increases in General Fund overhead.			
Total Sewer Maintenance, Flow Reduction, and Administration	\$ 20,194,166	\$ (1,555,266)	\$ 18,638,900

Sewer Service and Use Charge Fund

Budget Category: Sanitary Sewer Rehabilitation

Budget Category Overview

The Sanitary Sewer System Rehabilitation Program consists of capital projects designed to rehabilitate the sanitary sewer system, with higher priorities given to those with extensive, severe

deterioration. Rehabilitation projects of existing sewers are selected on the basis of pipe corrosion studies, maintenance reports, infiltration analysis, and actual pipe failures.

Budget Category Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Adopted 3	% Change (2 to 3)
Sanitary Sewer Rehabilitation				
Transfer to Capital Funds	\$ 16,000,000	\$ 16,000,000	\$ 16,000,000	0.0%
Total	\$ 16,000,000	\$ 16,000,000	\$ 16,000,000	0.0%

The following projects have been approved for funding in 2002-2003 from the Sanitary Sewer Rehabilitation allocation:

Adopted Allocation	2001-2002 Adopted	Change	2002-2003 Adopted
Sanitary Sewer Rehabilitation	\$ 16,000,000	\$ 0	\$ 16,000,000

The Sanitary Sewer System Rehabilitation Program is funded by an annual transfer of \$16 million to the Sewer Service and Use Charge Capital Improvement Fund from the Sewer Service and Use Charge Fund to support the costs of rehabilitation of existing sewers. Major projects currently in the planning or construction stages include those related to the rehabilitation of the Major Interceptor System, neighborhood sewers, and the Inflow and Infiltration (I&I) Reduction projects. The rehabilitation projects will prevent and/or correct pipe failures such as collapses, flow stoppage, and the spilling of sewage. The I&I Reduction projects will reduce the volume of ground water entering the sewer collection system which help to reduce the volume of effluent discharged by the Water Pollution Control Plant. The specific elements of this program are described in the 2002-2003 Adopted Capital Budget document.

Total Sanitary Sewer Rehabilitation	\$ 16,000,000	\$ 0	\$16,000,000
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Sewer Service and Use Charge Fund

Budget Category: Water Pollution Control Plant

Budget Category Overview

This program provides for operational costs, support services, and debt service requirements for the San Jose/Santa Clara Water Pollution Control Plant (WPCP). This regional wastewater treatment facility serves eight tributary sewage collection agencies, including municipalities and sanitary

sewer districts. The WPCP processes wastewater, operates a Biosolids Reuse Program, and administers the South Bay Water Recycling Project. In addition, it plans, designs, and constructs new wastewater treatment facilities and provides system maintenance.

Budget Category Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Adopted 3	% Change (2 to 3)
Water Pollution Control Plant				
Treatment Plant Operating Fund	\$ 32,100,000	\$ 22,000,000	\$ 40,565,000	84.4%
Treatment Plant Capital Fund	2,700,000	1,055,000	1,055,000	0.0%
SBWR Revenue Bonds ('95)	5,959,700	5,957,653	5,956,430	0.0%
SJ/SC CWFA Payment ('97)	6,336,900	6,503,904	2,967,127	(54.4%)
Total	\$ 47,096,600	\$ 35,516,557	\$ 50,543,557	42.3%

Transfers to the above wastewater-related funds support the operating, capital and debt service costs of the Water Pollution Control Plant.

One of the primary concerns and source of expenditures in the past several years has been diversion activities associated with the 120 million gallons per day (mgd) flow trigger to the South San Francisco Bay. The diversion of fresh water effluent from the Bay prevents saltwater marsh conversion, and reduces the amount of copper and nickel discharged to the Bay. For the reporting period during 2001, the dry weather flow averaged 107 mgd.

The flow dropped from 116 mgd in 2000-2001 to 107 mgd in 2001-2002 due to the sharp

decline in economic activity as well as increased recycled water usage. Recycled water is used by industrial and institutional users, diverting water that would otherwise be discharged to the Bay. Currently, approximately 10 mgd of recycled water is delivered to customers during the dry weather period.

The Revised South Bay Action Plan, as approved by City Council in June 1997, describes the projects necessary to reduce average dry weather effluent flow from the Plant. These projects include: expanded water recycling, industrial water recycling/reuse, inflow/infiltration reduction, and environmental enhancement pilots.

Sewer Service and Use Charge Fund

Budget Category: Water Pollution Control Plant

Budget Category Summary (Cont'd.)

The following projects have been approved for funding in 2002-2003 from the Water Pollution Control Plant allocation:

Adopted Allocation	2001-2002 Adopted	Change	2002-2003 Adopted
Water Pollution Control Plant Operating Fund	\$ 22,000,000	\$ 18,565,000	\$ 40,565,000
For 2002-2003, an increase of \$18.565 million to the Treatment Plant Operating Fund is necessary to maintain sufficient ending fund balance.			
Water Pollution Control Plant Capital Fund	1,055,000	0	1,055,000
Due to a scheduled major construction project at the Water Pollution Control Plant beginning in 2003-2004, capital projects have been minimized to ensure sufficient funds during this project.			
Debt Services Payment	12,461,557	(3,538,000)	8,923,557
For 2002-2003, debt service payments will be made from the Treatment Plant Capital Fund and the Sewer Service and Use Charge Fund. Reflecting current debt service schedules, there is a decrease in the debt service payment for 2002-2003.			
Total Water Pollution Control Plant	\$ 35,516,557	\$ 15,027,000	\$ 50,543,557

Storm Sewer Operating Fund

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T*o provide for the acquisition, reconstruction, maintenance, and operation of the Storm Sewer system. Services provided through this fund are:*

- *Storm sewer maintenance and administration; and*
- *Storm sewer improvements*

Storm Sewer Operating Fund

Budget Summary

	2001-2002 Adopted	2002-2003 Adopted	Change
Storm Sewer Maint. and Admin.	\$ 12,392,113	\$ 13,274,056	7.1%
Storm Sewer Improvements	\$ 1,700,000	\$ 1,250,000	(26.5%)

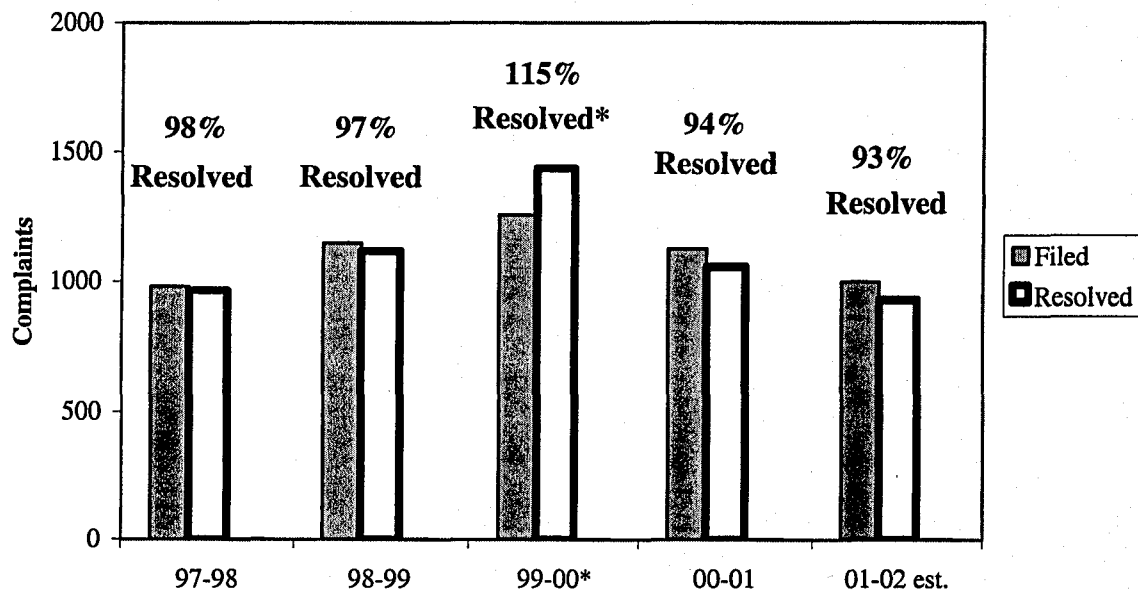
Budget Highlights 2002-2003

- A multi-year rate increase strategy featuring increases of 4% to 4.5% each year for the next three years has been approved, beginning in 2002-2003, to provide adequate funding to operate the storm sewer system and to re-establish a modest capital improvement program.

Budget Byte

Urban Runoff Program Illicit Connection and Illegal Dumping Enforcement

* % Resolved may be greater than 100% due to cases opened in previous years



Five Year Comparison Report

Storm Sewer Operating Fund

Fund Overview

The Storm Sewer Operating Fund was created to maintain and operate the storm sewer collection system and improve the quality of the City's storm and surface water runoff. Expenditures in the Storm Sewer Operating Fund support Pollution Control, System Maintenance and Operations, Storm Sewer Improvements, and Administrative Services. In order to protect water quality in local streams and the South San Francisco Bay, the National Pollutant Discharge Elimination System (NPDES) Storm Water permit requires the City to implement pollution prevention activities and controls to prevent pollutants from entering the storm sewer collection system.

In 1994-1995, the Storm Sewer Capital Fund was created to differentiate costs for capital storm sewer system improvements. Each year, if available, monies are transferred from the Storm Sewer Operating Fund to the Capital Fund to fund these improvements. Virtually all of the Operating Fund's revenue is generated by fees collected from residents and businesses.

In 1998, the City hired a consultant to develop a rate structure that would more equitably distribute costs among the properties served by the system. In 1999, City Council adopted a new rate structure that includes charges for all properties served by the storm sewer system and is related to characteristics of storm water discharge. Rates are based on the relative quality and quantity of storm water runoff contributed by residential, commercial and industrial properties.

When rates were restructured in 1999, the City Council directed rates to be set at a level that yielded no increase in revenue over the prior year. As a result, single family residential fees decreased by 15%, from \$47.40 to \$40.48. Rates for other residential categories dropped

similarly. The funding limit and cost increases due to normal inflation were accommodated in the 1999-2000 budget by operating cost reductions, loan repayment deferrals and capital improvement deferrals. As there are no other sources of revenue in this fund to offset this shortfall, cost reductions and deferrals have continued each year since 1999-2000 in order to stay within the revenue levels available in this fund.

Even with the cost reduction efforts, unrestricted fund balance in the Storm Sewer Operating Fund has continued to drop. Without a rate increase in 2002-2003, the remainder of the fund balance would be virtually eliminated by the end of the fiscal year. No capital investment funds would be available from this fund after 2002-2003.

In order to establish a firm financial base for the programs funded by this revenue source, and to re-establish a modest capital improvement program, a program of rate increases of 4% to 4.5% each year for the next three years is included as part of the 2002-2003 Adopted Operating Budget. In 2002-2003, a 4% increase in the Storm Sewer Service charge will raise the annual single-family residential rate by only \$1.62, from \$40.48 to approximately \$42.10.

For 2002-2003, prior to the approval of the rate increase, a fund transfer of \$750,000 was scheduled from the Storm Sewer Operating Fund into the Storm Sewer Capital Improvement Program (CIP). With the approval of the rate increase, however, an additional \$500,000 will be allocated to capital projects funding, bringing the 2002-2003 transfer total to \$1.25 million into the Storm Sewer CIP.

The NPDES Stormwater permit for 2000-2005 was approved in February 2001, but strict

Storm Sewer Operating Fund

Fund Overview (Cont'd.)

requirements for new development and redevelopment were added in October 2001. Each of the past two permits has incorporated increasingly stringent requirements, with resulting additional costs for permit compliance. The new 2000-2005 permit continues this trend.

The Departments of Environmental Services, Public Works, and Transportation are responsible for maintenance of the system, as well as for the construction and pollution prevention activities. Together, these different departments are responsible for the management of the Storm Sewer Operating and Capital funds.

Fund Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Adopted 3	% Change (2 to 3)
Dollars by Sources				
Beginning Fund Balance	\$ 3,360,760	\$ 3,503,574	\$ 2,789,415	(20.4%)
Assessments	12,508,417	12,726,000	13,409,939	5.4%
Interest and Other	417,960	90,500	164,500	81.8%
Total	\$ 16,287,137	\$ 16,320,074	\$ 16,363,854	0.3%
Dollars by Uses				
Storm Sewer Maint. and Admin.	\$ 11,118,627	\$ 12,392,113	\$ 13,274,056	7.1%
Storm Sewer Improvements	1,700,000	1,700,000	1,250,000	(26.5%)
Ending Fund Balance	3,468,510	2,227,961	1,839,798	(17.4%)
Total	\$ 16,287,137	\$ 16,320,074	\$ 16,363,854	0.3%

Storm Sewer Operating Fund

Budget Category: Storm Sewer Maintenance and Administration

Budget Category Overview

This category of program costs includes funding for storm sewer system maintenance, pollution reduction, and administrative services. System Maintenance is performed by the Department of Transportation and the Department of Public Works to repair damaged storm sewer pipes and maintain the system infrastructure. The

Pollution Control category includes the cost of efforts to ensure City compliance with the NPDES Storm Water Permit requirements. Administrative Services includes support services provided by various City departments, overhead to the General Fund, fees charged by the County for collecting assessments, and loan repayments.

Budget Category Summary

Storm Sewer Maintenance/ Administration	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Adopted 3	% Change (2 to 3)
System Maintenance	\$ 2,228,138	\$ 2,359,098	\$ 2,506,991	6.3%
Pollution Control	7,370,005	8,260,793	8,708,378	5.4%
Administrative Services	1,520,484	1,772,222	2,058,687	16.2%
Total	\$ 11,118,627	\$ 12,392,113	\$ 13,274,056	7.1%

Three major factors impact the costs of programs supported by this fund: 1) aggressive pollution control programs mandated by the City's NPDES Storm Water permit; 2) the increasing age of the storm sewer system,

which results in higher maintenance costs and a growing need for replacement and rehabilitation; and 3) the extent of the system's growth due to new development construction.

The following projects have been approved for funding in 2002-2003 from the System Maintenance, Pollution Control, and Administrative Services allocation:

Adopted Allocation	2001-2002 Adopted	Change	2002-2003 Adopted
System Maintenance	\$ 2,359,098	\$ 147,893	\$ 2,506,991

The increase in the System Maintenance program results from staffing realignments, salary increases, and cost of living adjustments. Included in this increase is \$18,463 allocated to the Department of Transportation, through realignment of staff, to accurately reflect workload currently being performed.

Storm Sewer Operating Fund

Budget Category: Storm Sewer Maintenance and Administration

Budget Category Summary (Cont'd.)

Adopted Allocation (Cont'd.)	2001-2002 Adopted	Change	2002-2003 Adopted
Pollution Control	8,260,793	447,585	8,708,378
<p>The change in the Pollution Control program results from staffing realignments, salary increases, and cost of living adjustments. These increases are offset by a reduction of \$434,000 from the Department of Transportation's (DOT) Vehicle Replacement budget and a reduction of \$16,100 from DOT's Vehicle Operating and Maintenance budget. Vehicle replacement reductions are being made as a result of a General Services vehicle replacement audit. Also reflected in this category is a transfer of the residential street sweeping budget (\$1.311 million) from DOT to the Environmental Services Department. This action has no net funding effect.</p> <p>In addition, rebudgets of unexpended 2001-2002 funds are included for database design and management (\$48,613), mercury pollution issues (\$200,000), pollution prevention outreach (\$115,000), storm water data modeling (\$100,000), and watershed management (\$45,000).</p>			
Administrative Services	1,772,222	286,465	2,058,687
<p>The increase in the Administrative Services program results from an increase in the overhead rate and overall costs for this fund.</p>			
Total Storm Sewer Maintenance and Administration	\$ 12,392,113	\$ 881,943	\$ 13,274,056

Storm Sewer Operating Fund

Budget Category: Storm Sewer Improvements

Budget Category Overview

The Storm Sewer Improvements Program consists of capital projects designed to construct storm sewer systems to convey surface runoff in the City's Urban

Service Area to adjacent stream channels and to enhance existing storm sewer capacity and improve operations.

Budget Category Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Adopted 3	% Change (2 to 3)
Storm Sewer Improvements				
Transfer to Capital Fund for Storm Sewer Improvements	\$ 1,700,000	\$ 1,700,000	\$ 1,250,000	(26.5%)
Total	\$ 1,700,000	\$ 1,700,000	\$ 1,250,000	(26.5%)

The following projects have been approved for funding in 2002-2003 from the Storm Sewer Improvements allocation:

Adopted Allocation	2001-2002 Adopted	Change	2002-2003 Adopted
Storm Sewer Improvements	\$ 1,700,000	\$ (450,000)	\$ 1,250,000

Storm Sewer Improvements funding is the amount transferred to the Storm Sewer Capital Fund to support improvements to the existing storm sewer system. Funding for capital improvements has been reduced in recent years as the rate level has been held steady. Without the three-year rate increase program approved by City Council, a fund transfer limited to \$750,000 in 2002-2003 would have effectively ended the capital improvement program for the system. The Storm Sewer Service rate increase will provide an additional \$500,000 in funding for Storm Sewer Improvements in 2002-2003. Additional transfers planned to the Storm Capital as a result of the rate increase strategy total \$4.1 million over five years.

Total Storm Sewer Improvements	\$ 1,700,000	\$ (450,000)	\$ 1,250,000
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Transient Occupancy Tax Fund

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T*o provide funding for the Conventions, Arts and Entertainment Operating Subsidy, Cultural Grants, and the San Jose Convention and Visitors Bureau*

Beginning in 1982, the City Council initiated a 6% Transient Occupancy Tax (TOT) on all hotel/motel rooms in San Jose. The revenues are collected in the TOT Fund (461) and the increment of growth is distributed by formula to three program categories: the Conventions, Arts and Entertainment Operating Subsidy (50% of the TOT increase), Cultural Grants (25% of the TOT increase) and the San Jose Convention and Visitors Bureau (25% of the TOT increase)

Transient Occupancy Tax Fund

Budget Summary

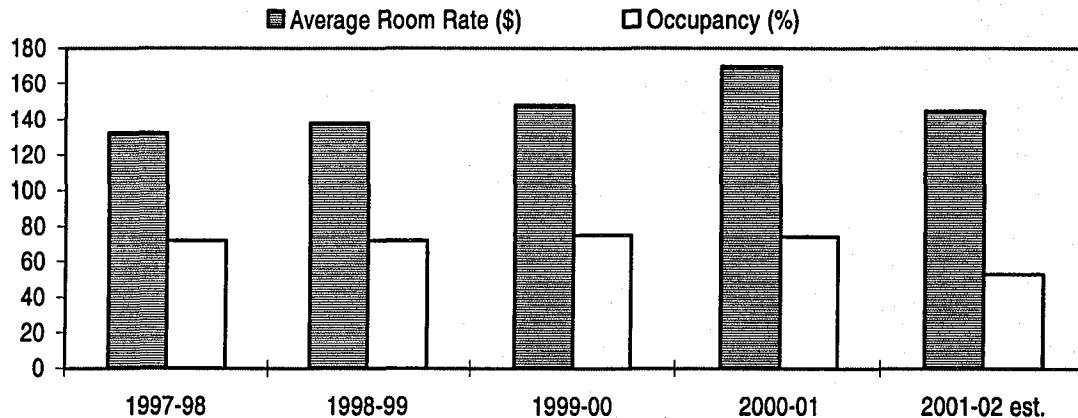
	2001-2002 Adopted	2002-2003 Adopted	Change
CAE Operating Subsidy	\$ 7,204,865	\$ 6,044,865	(16.1%)
Cultural Grants	\$ 4,604,386	\$ 3,789,386	(17.7%)
San Jose Convention & Visitors Bureau	\$ 3,795,750	\$ 3,215,750	(15.3%)

Budget Highlights 2002-2003

- Although a modest (12%) increase from the current year collection level for TOT revenue is anticipated, this will still represent a total well below recent years due to the 31.3% drop in revenue experienced in 2001-2002. Additional hotel rooms and a moderate recovery from the large fall off experienced this year is anticipated for occupancy levels on the existing room base.
- Due to the severe drop in the 2001-2002 collections, the projected moderate growth level projected for 2002-2003 will still result in a 15-18% drop in revenue distributed to the recipient organizations baseline support.

Budget Byte

TOT Indicators: Room Rates and Occupancy



Transient Occupancy Tax Fund

Fund Overview

The 2002-2003 Adopted Budget for the City's Transient Occupancy Tax (TOT) Fund presumes 12% growth over the level of revenue which was expected to be collected in fiscal year 2001-2002 (\$11,250,000). The increase reflects both the expected impact of a partial recovery from the current year precipitous drop in the travel industry activities, and the presence of additional hotel rooms. As an indicator of just how disastrous a year it was for hotel operators, post September 11 collections in 2001-2002 were expected to end the year about 31.3% below 2000-2001 actuals. This sharp decrease is due primarily to the impact of the September 11 incident and the overall reluctance to travel by the public; but also reflects the slow valley economy.

By ordinance, the Transient Occupancy Tax Fund is used to provide funding for the

Conventions, Arts and Entertainment (CAE) Operating Subsidy, Cultural Grants, and the San Jose Convention and Visitors Bureau.

As a result of the decrease in revenue in 2001-2002, there will be a significant (15-18%) decrease in the baseline support to all three organizations in 2002-2003. The apparent larger decrease in the allocation in 2002-2003 for Cultural Grants actually reflects the fact that the 2001-2002 budget included a one-time rebudget of unexpended 2000-2001 Grants in the amount of \$685,000 versus a \$450,000 rebudget for 2001-2002.

The ending fund balance is made up of an unrestricted fund balance, and reserve for future distribution, reserve for encumbrances and reserve for loans outstanding.

Fund Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2001-2002 Estimate 3	2002-2003 Adopted 4	% Change (2 to 4)
Dollars by Sources					
Beginning Fund Balance	\$ 2,805,934	\$ 3,844,044	\$ 5,816,451	\$ 1,651,738	(57.0%)
TOT Revenues	16,376,031	14,920,000	11,250,000	12,600,000	(15.5%)
Interest	269,362	75,000	150,000	150,000	100.0%
Total	\$ 19,451,327	\$ 18,839,044	\$ 17,216,451	\$ 14,401,738	(23.6%)
Dollars by Uses					
CAE Operating Subsidy	\$ 6,801,757	\$ 7,204,865	\$ 7,367,231	\$ 6,044,865	(16.1%)
Cultural Grants	3,198,123	4,604,386	4,284,549	3,789,386	(17.7%)
SJ Convention/Visitors Bureau	3,594,196	3,795,750	3,876,933	3,215,750	(15.3%)
Rev Enhancement Consulting	-	36,000	36,000	-	(100.0%)
Technical Assistance Prog.	40,800	28,807	0	38,007	31.9%
Ending Fund Balance	5,816,451	3,169,236	1,651,738	1,313,730	(58.5%)
Total	\$ 19,451,327	\$ 18,839,044	\$ 17,216,451	\$ 14,401,738	(23.6%)

Transient Occupancy Tax Fund

Budget Category: Conventions, Arts and Entertainment Operating Subsidy

Category Overview

The Conventions, Arts & Entertainment (CAE) Operating Subsidy supports administration, maintenance, and operations at the Convention and Cultural Facilities, which include the Convention Center, Center for Performing Arts, Montgomery Theater, Civic Auditorium, Parkside Hall, and McCabe Hall. The remaining operating costs are funded by operating revenues from these facilities, which are captured in the Convention and Cultural Affairs Fund. Because the total operating expenses are not delineated by funding source,

the specific operations supported by TOT funding cannot be isolated. Personal and non-personal/equipment expenses, which are partially funded by the increment of growth in the TOT, appear in the Conventions, Arts & Entertainment Department section of this document.

Approximately 48% of total 2002-2003 TOT revenue is allocated to fund a portion of the operating expenses at the Convention and Cultural Facilities.

Budget Category Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2001-2002 Estimated 3	2002-2003 Adopted 4	% Change (2 to 4)
CAE Operating Subsidy	\$ 6,801,757	\$ 7,204,865	\$ 7,367,231	\$ 6,044,865	(16.1%)
Total	\$ 6,801,757	\$ 7,204,865	\$ 7,367,231	\$ 6,044,865	(16.1%)

Transient Occupancy Tax Fund

Budget Category: Cultural Grants

Category Overview

Each year, the Arts Commission solicits and evaluates applications for funding under the Cultural Grants category (using criteria approved by the City Council). The Arts Commission then submits recommendations for Cultural Grants and Technical Assistance Grants to the City Council for consideration during the annual budget process. Approximately 26.5% of the total 2002-2003 TOT Revenue is allocated to fund Cultural Grants. Additional grants

funding is provided by the General Fund, but it is transferred into the Convention and Cultural Affairs Fund, which appears elsewhere in this document. Any unexpended Cultural Grant funding is rebudgeted for expenditure in the next fiscal year.

The 2002-2003 TOT Cultural Grants awards are listed in this section to provide a picture of the City's Cultural Grants Program.

Budget Category Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2001-2002 Estimate 3	2002-2003 Adopted 4	% Change (2 to 4)
Cultural Grants	\$ 3,198,123	\$ 4,604,386	\$ 4,284,549	\$ 3,789,386	(17.7%)
Total	\$ 3,198,123	\$ 4,604,386	\$ 4,284,549	\$ 3,789,386	(17.7%)

Transient Occupancy Tax Fund

Budget Category: Cultural Grants

Category Overview (Cont'd.)

Cultural Grants Allocations	Total Grant
Abhinaya Dance Company	32,740
American Musical Theatre	244,679
Arab Women's Solidarity Association	10,130
Art and Culture Society of San Jose	1,750
Arte Flamenco	8,830
Associated Students of SJSU	12,960
Association for Viet Arts	10,500
Aztlán Academy	24,300
Ballet San Jose Silicon Valley	340,585
Chinese Performing Artists	24,300
Cinequest	96,618
City Lights Theatre Company	22,920
Contemporary Asian Theatre Scene	24,300
Dancing Sun Foundation	12,720
Dimension Performing Arts	14,580
Firebird Youth Chinese Orchestra	7,000
Flamenco Society of San Jose	17,470
Gilbert and Sullivan Society	24,300
Limon Dance Company	50,530
Kaisahan of San Jose	30,000
Kariyushi Kai	4,050
Korean American Community Services	10,500
KTEH-TV Foundation	21,060
Los Lupeños de San Jose	28,630
MACLA	71,900
Margaret Wingrove Dance Company	18,900
Mexican Heritage Corporation	187,135
Northside Theatre Council	22,640
Opera San Jose	243,613
San Jose Cathedral Foundation	21,000
San Jose Center for Poetry & Literature	8,400
San Jose Chamber Music Society	24,300
San Jose Chamber Orchestra	30,000
Children's Musical Theater of San Jose	110,474
San Jose Dance Theater	18,900
San Jose Institute of Contemporary Art	49,170
San Jose Jazz Society	118,222
San Jose Multicultural Artists Guild	23,730
San Jose Museum of Art	421,573
San Jose Museum of Quilts & Textiles	63,460
San Jose Repertory Theatre	348,045
San Jose Stage Company	89,621
San Jose Symphonic Choir	12,470

Transient Occupancy Tax Fund

Budget Category: Cultural Grants

Category Overview (Cont'd.)

Cultural Grants Allocations (Cont'd.)	Total Grant
Santa Clara Valley Performing Arts Assn.	12,150
Shri Krupa Dance Foundation	21,000
Silicon Valley Children's Fund	30,000
South Bay Guitar Society	20,370
Steinway Society	7,000
Tapestry in Talent	12,150
Teatro Visión	44,680
Visual Rhythm Dance Company	8,400
WORKS/San Jose	24,300
Young Audiences	53,350
Technical Assistance	67,500
San Jose Symphony Reserve	100,000
Festival, Parade & Celebration Grants	322,689
Unallocated	106,792
	<hr/>
	3,789,386

Transient Occupancy Tax Fund

Budget Category: San Jose Convention and Visitors Bureau

Category Overview

Approximately 25.5% of the total 2002-2003 estimated TOT revenues is allocated to the San Jose Convention and Visitors Bureau (CVB). The City contracts with the CVB to provide long-term booking of events at the Convention Center, market the Convention Center, promote traveling to San Jose for business and pleasure, and assist visitors.

CVB also receives funding from the General Fund (shown in the City-Wide Expenses section of this document) and other sources such as San Jose businesses, restaurants, and hotels to provide similar services, which are not represented here.

Budget Category Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2001-2002 Estimate 3	2002-2003 Adopted 4	% Change (2 to 4)
SJ Convention/Visitors Bureau	\$ 3,594,196	\$ 3,795,750	\$ 3,876,933	\$ 3,215,750	(15.3%)
Total	\$ 3,594,196	\$ 3,795,750	\$ 3,876,933	\$ 3,215,750	(15.3%)

Transient Occupancy Tax Fund

Budget Category: Ending Fund Balance

Category Overview

The ending fund balance is made up of a reserve for encumbrances, reserve for loans outstanding, reserve for future distribution and unrestricted fund balance.

Budget Category Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2001-2002 Estimate 3	2002-2003 Adopted 4	% Change (2 to 4)
Reserve for Encumbrances	\$ 47,096	\$ 107,601	\$ 47,096	\$ 47,096	(56.2%)
Reserve for Loans Outstanding	90,000	90,000	90,000	\$ 90,000	0.0%
Reserve for Future Distribution	2,020,000	2,020,000	-	-	(100.0%)
Unrestricted Fund Balance	3,659,355	951,635	1,514,642	1,176,634	23.6%
Total	\$ 5,816,451	\$ 3,169,236	\$ 1,651,738	\$ 1,313,730	(58.5%)